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THESIS

Importance of Brand Names in Fashion Merchandise

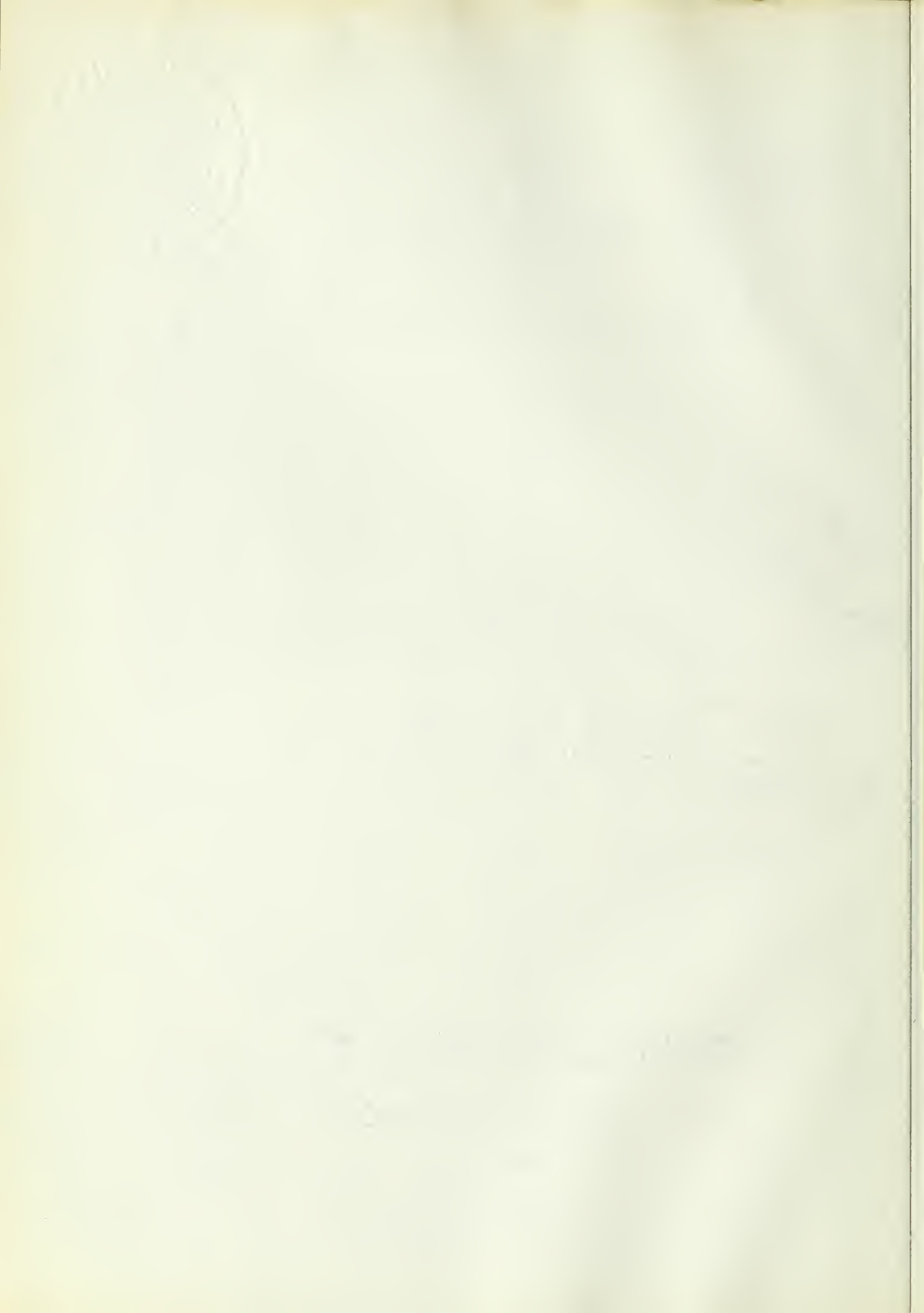
by

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CHAPTER I
INTRODUCTION

Within the last five years our economy has seen varying degrees of change in consumer buying habits. One of the most noticeable and most interesting is the increased acceptance of brand names in fashion merchandise. At the present time the importance of brand names in the fashion field is growing, and their importance has reached such proportions that a look into the history and growth of branded merchandise seems necessary in order that a possible forecast of the future of branded and unbranded fashion merchandise may be made.

Since the present trend is toward the continued acceptance of branded merchandise, the manufacturer and retailer, in order to meet the consumers' demands, must know the reasons for this trend, how long it will continue in the upward direction, and what conditions might cause a reversal.

It is the purpose of this thesis to present the present day attitude of the consumer toward branded fashion merchandise by presenting a descriptive and critical analysis of the history and growth of this practice; to determine how the change in the consumers' buying habits has influenced the present trend; to investigate the factors that have been instrumental in producing these changes in buying habits, and to analyze what has prompted such confidence in branded fashion merchandise to make branding in this field so important in our

present day marketing system.

So little information has been written on this subject, inasmuch as it is one which came into prominence in the last five years, that the charts and tables presented herein cover a relatively short period of time. The writer realizes that these data are not conclusive, but it does show a picture of the present trend in consumer buying habits in fashion merchandise. Furthermore, all the material that is available on the problem is weighted more on the side of what the manufacturers and retailers want to promote rather than on the consideration of the consumers' reasons for or against the purchase of branded fashion merchandise. The writer has attempted to evaluate this material in the light of the obvious preference for branded goods, in order to present as fair a picture as possible.

A brief history of branding is presented in Chapter II to familiarize the reader with the development of this marketing practice. Branding of merchandise has been in existence since the early ages. It was used then primarily to identify the product with the producer and to protect the consumer against inferior merchandise. This chapter shows the evolution of branding in the United States and the consumer attitude toward it.

In order to understand this evolution of branding in light of fashion merchandise, a study of the problems

CHAPTER I. THE DISCOVERY OF AMERICA.

THE DISCOVERY OF AMERICA, BY CHRISTOPHER COLUMBUS, IN 1492, WAS ONE OF THE MOST IMPORTANT EVENTS IN THE HISTORY OF THE WORLD.

IT OPENED UP A NEW FIELD FOR THE EXPLORATION OF THE GLOBE, AND LED TO THE DISCOVERY OF MANY NEW COUNTRIES.

IT ALSO BROUGHT ABOUT THE FIRST CONTACT BETWEEN THE EUROPEAN AND AMERICAN CONTINENTS, WHICH HAS SINCE BEEN ONE OF THE MOST IMPORTANT FACTORS IN THE HISTORY OF THE WORLD.

THE DISCOVERY OF AMERICA WAS THE RESULT OF A LONG AND TOILSOME JOURNEY, WHICH COLUMBUS MADE IN 1492.

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that exist between branded and unbranded fashion items is necessary. By presenting the pros and cons of this problem as it affects the manufacturer, retailer and consumer, the reader is given insight into reasons for the branding of fashion merchandise. The economic influence on branded and unbranded merchandise is considered in this section in order that the reader can evaluate further developments in the change of consumer buying habits and not lose sight of the underlying force behind all buying.

Chapter IV deals with those specific fields wherein consumer preference for branded fashion merchandise is predominant. Consideration is given to the psychological factors behind the consumer's favoring of branded items in certain classifications and unbranded items in other classifications. The writer also attempts to describe the change in shopping habits as they are reflected in increased acceptance of branded fashion merchandise. By knowing the fields which predominate in importance for consumer acceptance, we are better able to evaluate the reasons for their position, and to know this the factors behind the motives of this acceptance cannot be overlooked.

Because so little material is available on this matter, it is necessary that factual information be presented so that an adequate picture may be developed.

Chapter V investigates the factors that have been

instrumental in producing changes in the consumer buying habits. The role the government has played in this marketing function has tended to fashion the end products of manufacturing to benefit the consumer by establishing minimum standards by which the producers are guided. Testing Bureaus as a result of these requirements have been founded to develop better quality in products. Fashion magazines have taken the lead in this movement, and their importance has increased through the years, and better quality goods have reached the consumer market. The inception of the Brand Names Foundation, Inc. to further the cause of branded merchandise has had a definite impact on consumer buying habits within the last five years.

Further development of this chapter centers around opinions gathered from primary retail sources. These opinions are important in that they substantiate by actual experience the facts presented from Women's Wear Daily concerning the preference for branded merchandise and the influence advertising has had in furthering this preference.

In the conclusion and summary, an attempt is made to appraise the value of brand names in fashion merchandise and, from this appraisal, to arrive at some predictions for the future of branded fashion items.

The bulk of the information for this study was found in Women's Wear Daily. Because this publication has its finger on the pulse of the fashion world it was felt

that the facts it presented were more reliable than those presented exclusively on behalf of the manufacturer or retailer.

To acquaint the reader better with the subject, it is necessary to introduce terms which will be used throughout the thesis. These terms have resulted in considerable misunderstanding and confusion in the minds of consumers and in the minds of many marketing specialists. Therefore, to facilitate interpretation of the facts which have been presented, the simplest definitions will be used to eliminate confusion. Dr. Jessie V. Coles in her book Standardization of Consumers' Goods has adequately and most aptly defined these terms as follows:

"A trade-mark is a distinctive name, word, mark, emblem design, symbol, sign, brand, figure, or a combination of these for the purpose of designating the goods of a particular producer. 'Distinctive' is used to indicate the trade-mark must be capable of distinguishing the particular commodity to which it is applied from other goods of a similar nature. These are regarded by the users as property and are protected as such by law.

"The term 'brand' is also commonly used in referring to these distinctive marks." For the purpose of this study the term 'brand' will be used as "a name or word which can be pronounced rather than merely a symbol", (1) and carrying the implication of quality-uniformity.

(1) Coles, Jessie V., Standardization of Consumers' Goods, New York, The Ronald Press Co., 1932, p. 35.

By manufacturer brand is meant a manufacturer's or producer's name, trademark, or label which identifies a garment and which is nationally known, distributed and advertised.

By retailer's brand is meant his private brand or trademark that is controlled by the store, or store group, which promotes it. It may be a garment or commodity sold under a distinctive mark of a wholesaler or group of wholesalers, or a retailer or group of retailers, or the symbol of a combined group of wholesalers and retailers.

That a trade-mark may also be used as a brand name, and the reverse is evident, in all phases of marketing, but for all purposes presented in this study, the definitions separately given above will be adhered to. Victor Lebow stated: "In today's economy, the trade-mark has value only in proportion to the amount of advertising put behind it. It carries little weight when it appears only on the product itself. That means that the smaller seller with only a modest advertising and promotion budget is going to have to find a substitute." (1) The fallacy of this statement in part must be pointed out to illustrate how confusion has come about in the misrepresentation of an idea. There are many branded products that do not have to advertise nationally to maintain the value of the

(1) Business Week, "The Marketing Pattern", February 18, 1950 p. 57.

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trade-mark affixed to it. Most notable in this is Hershey candy bars, sugar, and Pepperidge Farm bread. It should be understood that though these products are not nationally advertised, their display and use of a brand name indirectly advertises the product. In the case of sugar, the nature of the product must be considered when evaluating the statement made by Victor Lebow.

Fashion merchandise will be contrued herein to mean those goods which to the consumer fit his pattern or mode of dress, either personally or in the home. Inasmuch as fashion is concentrated in women's wear, it is readily evidenced that advertising and branding are focused at their level of appeal.

In women's fashion merchandise, some of the better known brand names, which have gained nation-wide prominence --and which need no further identification to promote accurate recall in the minds of women are: Joan Kenley, Rosenfeld, American Golfer, Vanity Fair, Nelly Don, Phoenix, Adrian Evans, Eisenberg, Georgiana, Judy Bond, Holeproof, Carole King, Perma-lift, and Paula Brooks Original to mention a few. These brand names quickly call to a woman's mind dresses, blouses, hosiery, foundation garments, and summer dresses. The merchandise representative of these brand names seems to have proved to the women buyers that the material contained in it is of lasting quality, correct

size proportions and the latest style according to statistics shown later on in the study. Thus the buying of this type of merchandise by brand names has become a habit with women buyers.

CHAPTER II

HISTORY OF BRANDING

For a practice that has existed since the early ages, it behooves us to look back into history to garner a few facts before any headway may be made into the present day conflict that arises in the evaluation of the prominence and continued existence of brand names in fashion merchandise.

We do not know where or by whom "brands" were first employed, but the reasons for their use are evident. Earthenware, dating back four thousand years, bearing the maker's mark of identification, have been discovered. Vases from Italy and Greece have been found with similar identification of the fifth and fourth centuries B. C. (1)

Relics found of Roman life were imprinted with markings of all descriptions. Strict edicts were issued in France in the fourteenth century with reference to the sale of unmarked wine which was believed to be harmful. Such a sale of wine was punishable by hanging. (2)

From this very brief resume it is safe to say that branding was used as it is now to identify the wares of a

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- (1) Toulmin, Harry A., Trade-marks Profits and Protection, New York, D. Van Nostrand, 1926, p. 7.
(2) Rogers, Edward S., Goodwill, Trade-marks and Unfair Trading, A. W. Shaw, 1914, p. 35-39.

certain manufacturer thus facilitating sales and building patronage. This practice, though seemingly beneficial to the manufacturer first in that it assists him in building a reputation, nonetheless places many direct responsibilities upon him. Once his name is known and identified with the product he markets he assumes the character of that product, and from the inception of his popularity he must continually be on guard not only to protect his interests, but to meet the demands of the buying public.

Professor George Burton Hotchkiss in his book Wheeler's Treatise of Commerce shows that regulations of the Merchants Adventures in the 16th century provided that members might sell their cloth by inspection only on "show days". However, they were privileged to sell "by the marks" on other days; (1) thus, further showing that people even then bought merchandise on the basis of the manufacturer's mark and its implied guarantee.

Identifying marks in the early days not only provided a means of identification as to the manufacturer, as we know them today, but were also used as a protective measure both to the manufacturer against theft, and to the customer against inferior quality merchandise. Severe regulations made mandatory the affixing of such a mark on articles. The guilds in the earlier days were prominent in furthering this

(1) Hotchkiss, G. B., Wheeler's Treatise of Commerce, New York, New York University Press, p. 42.

idea mainly "to protect the guilds, monopoly of trade or craft, and superior workmanship." (1)

With this brief historical background in mind we may see how indispensable merchandise marks are in modern business - as a brand or a trade-mark, or both. Spencer A. Larsen stated that "as guild authority waned and the doctrine of laissez faire became the economic policy of our modern era, merchandise marks attained a new level of value and became increasingly important in establishing and maintaining in the market the identity of the maker or distributor. As their commercial courier, the services of a particular brand may be confined to a single producer or distributor. In fact the courts have come to look upon identification marks as a valuable and exclusive property right of a single individual or firm. The government in turn has extended its protecting arm to guarantee to individual entrepreneurs that exclusive right."

"As brands have acquired a greater significance to their sponsors, however, especially producers or large manufacturers, who are often far removed from consumers, brands have at the same time become less personal to the general public in the sense that consumers seldom become personally acquainted with the sponsors of a branded product. Under

(1) Haney, Lewis H., History of Economic Thought, New York, The MacMillan Co., 1912, p. 80-82.

modern conditions people who buy goods and rely upon the brands do not associate these insignia with a particular maker, but rather that the article bearing a certain mark is one which by faith or experience is believed to be good."

(1) This is a decided contrast to the more personal relationship which existed between producer and consumer in the Early Ages. Then, each guild or producer was known by the consumer personally, and, often it was on this personal cognizance that goods were purchased.

With the development of our modern economic society here in the United States, however, and the attendant complex market mechanism, various problems arose which may be directly attributable to the growth of branding merchandise in this country. Formerly, all goods were produced, in the main, in the homes. As our frontier expanded, and transportation, communication and specialization of labor achieved such importance, this method of production soon went out of the home and into the hands of large-scale mass production. The problem to the consumer was: how can I be sure what I buy is good. This idea made comparison and selection essential. This was not only time-consuming and frustrating, but oftentimes meant returned merchandise and dissatisfied customers.

(1) Larsen, Spencer A., "Manufacturers Versus Distributors Control of Markets as Revealed in the 'Battle of the Brands'", New York, New York University, 1933, a Doctorial Thesis, p. 12, 13.

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Thus, with the advent of our modern production methods, World War I, increased population and increased standard of living, a need arose for the use of Brands to insure not only customer satisfaction on the consumer level, but for aggressive promotion of goods and known manufacturer prestige in the ever increasing drive for profits and continued survival in our expanding competitive market. This process afforded the consumer an opportunity to eliminate some of the indecision in making his selection of merchandise because once he found a good product backed by a brand name, he immediately established in his mind an identification with that manufacturer, and a continued reliance on this association led to further acceptability of branded merchandise.

As with all good methods and reputable marketing devices, abuses arise. These were great in number and continued and grew as the consuming public became more dependent on the implied and sometimes written guarantees of the manufacturers. So great were these abuses that governmental action was necessary. The Federal Trade Commission has unceasingly and tirelessly set forth resolutions and regulations, by which manufacturers and retailers are warned of the limits to which they may go in deceiving the public. These regulations have been wide in scope - from awnings to yarn, and raw materials to the finished product these specifications are applicable.

It should not be construed from the above background study that branded merchandise is the best merchandise, or that since it is branded it implies all types of guarantees and insurance gimmicks to lure the consumer into buying. Not at all. Brands merely serve--or should serve--as an aid to the buyer in the selection of merchandise and in securing uniformity of quality each time he buys. This is to no avail, however, if advertising has not been utilized to its best ability--i.e. if advertising has not informed the buyer of the true quality and performance of the goods. This will be illustrated in greater detail in Chapter V.

With this background in mind a look into the functions of branding is indicated, especially as they apply to the consumer and his reaction to them.

CHAPTER III

MANUFACTURERS' BRANDS, RETAILERS' BRANDS AND UNBRANDED MERCHANDISE

MANUFACTURERS' VERSUS RETAILERS' BRANDS

The most important function of the brand is to identify the sponsor with his product. The sponsor may be the producer or the distributor serving a national, sectional and local area with its own brand. Manufacturers' and retailers' brands will be used interchangeably with national and private brands.

It should be borne in mind that the volume or distribution of advertising is not necessarily the criterion of a brand's influence.

Although manufacturers' brands as a unit enjoy more prominence in most lines than retailers' private brands and unbranded goods, the combined influence of the total influence of the latter two should not be overlooked.

Many consumers have come to respect and rely on these retailers' private brands and manufacturers' brands and thus the struggle between the two continues to wage for THE prominent position in the merchandise market. This battle has been a great benefit to the consumer. It has brought about many new standards for and improvements in merchandise; it enables consistent product identification; it has strengthened the theory that brands designate quality and quality

uniformity; and it has encouraged packaging. From the manufacturer's point of view it has enabled him to exercise a certain measure of control over consumer demand. The more the consumers demand his products the more control the manufacturer has over the market. However, since both national and private brands are vying for the same consumer dollar, the same consumer acceptance, and the same control of the market, the problem has gained tremendous proportions and there continues to be a seesawing on the part of the consumers from one to the other.

The use of trade-marks, salesmanship and advertising were the first tools used to gain a national, sectional and local foothold. The passage of the trade-mark act on February 20, 1905 granted greater governmental support and protection to the producers and distributors. The manufacturers paved the way for the distributors during the period 1880-1910 since they fashioned the new scheme of brand distribution. Many retailers during this time became jobbers as well as advertising agents and the promotion of private brands was begun.

The growth of the large department stores and the two large mail order houses, Sears, Roebuck & Co. and Montgomery Ward, in 1915 brought with it the demand for exclusive brands. Therefore, the wholesalers and retailers turned more and more to their private brands and the manufacturers turned to large-scale national advertising.

Some of the issues involved in this controversy may best be illustrated by an excerpt from an article in Printers' Ink, 1914, by a private brand manufacturer, which sums up the position of a clothing merchant who placed his hopes for the future upon a national brand:

"Everyone who has made a study of modern advertising knows pretty well what the manufacturer of trade-marked advertised merchandise has to say to the retail dealers--Easier sales, more sales, more frequent turnovers, increased prestige, and in the end a juicier net profit.

"But what do manufacturers of unbranded, unadvertised clothing say to retail merchants. He has a pretty long story.

"The manufacturer of a line of trade-marked nationally advertised clothing who offers you his cooperation and his free advertising matter looks like a real benefactor at first glance. But he isn't. He appears mighty unselfish--but he isn't that, either. You must look pretty carefully, even under the bottom row of logs to find the 'nigger'. But he's there

"Isn't it plain to you that by tying up with nationally advertised goods you become the pawn broker of the manufacturer--you are his clerk in your locality--a mere distributing machine? And you aren't even pensioned, because that manufacturer can drop you like a burned-out match when you fail to satisfy him in the matter of sales. Don't play into his hands that way. You own your own business. Own it, then. Be your own boss. Don't let any man come to you and make your influence with your trade subordinate to his influence just because he sells you the goods and makes you a lot of fancy promises which don't square

up. Analyze your own business situation and you will see the fallacy of playing the drummer and general utility man in his distribution orchestra

"Now what about this free advertising? You insert an advertisement two columns wide, by seven inches deep, in your newspaper. Your manufacturer is generous--he gives you the electro free. All you have to do is pay for the space. That's free advertising matter. Free to the manufacturer, eight parts: free to you, two parts. Think about it. Don't you see that it is you and the thousands of other merchants like you, who have made possible big clothing organizations out of your own pocket--instead of each one of you making a solid, lasting success of your own, based upon your own name and reputation? Now, then, suppose you don't make good with an advertised line. It is taken away from you. What happens? You have told the people of your town, over your own name, that you believe in, and want them to believe in the clothing you handle, and then you have to take it all back. You don't sell that brand any more. Thus you lose the confidence not only of all the people in your town, but also of your regular customers. Another thing: your competitor may get the line that was taken away from you and, since you subscribed to that line's goodness in your local advertising, your customers may lose confidence in you and switch their trade to your competitor's store. It has happened. You are pretty well boxed up, aren't you

"Your window space is worth money. But whose clothes and posters do you advertise in it? Your own as a reliable merchant? Or the manufacturer's as his distributing clerk?" (1)

(1) Savage, Charles J. "The Issue Between the Advertiser and the Private Brand Manufacturer," Printers' Ink, August 6, 1914, p. 32.

In the same issue of Printers' Ink, Richard H. Waldo, quotes a prominent merchant on the weaknesses of the private brand.

"Three years ago I sold \$700,000 annually. Today I am selling \$1,000,000. Part of this, not all of it, is due to the fact that I sell and advertise Hart, Schaffner, and Marx goods. My name on my store in my town is worth a lot more than theirs; I could sell it for \$250,000. But their name on their clothes is worth a lot more than mine. My customers know I do not make clothes, and the name of Hart, Schaffner and Marx on the clothes answers every question any man might be inclined to ask. The combination of my name on my store and their name on my clothes in my town cannot be beat." (1)

These excerpts clearly illustrate the antagonism which existed in 1914 between manufacturers and wholesalers and retailers over national and private brands.

These grievances have been felt by the consumer. The main element behind them is the profit motive. Therefore, when the consumer has to choose an item on the basis of price the private brand as a rule offers her the lowest one. This is important to many consumers and this has been one of the important factors in the "staying power" of the wholesaler's and retailer's private brand. The margin a retailer gets from a national branded product is far less than that which he receives from a private branded item. This naturally enhances the private brand in the eyes of the retailer and he naturally exerts every effort to push the private brand more than the national brand. On the other hand,

(1) Ibid., p. 33.

you have the argument for national brands on the basis of stock turnover. Many retailers feel that the prestige of the national brand enables the merchandise to move out at a quicker rate than the private brand thereby allowing him to realize just as much profit in the long run.

Meritorious products well advertised, or those products for which the buying habits of the consumers are established, are the least susceptible to private branding. It is hard to change these buying habits once they are strongly entrenched. The greater the advertising placed behind a product, the stronger is this entrenched habit, and the greater the resistance against attempts to displace it by private branding. On the other hand, as with manufacturers' brands, many private brands are advertised locally, regionally and nationally. Many of these private brands enjoy the same acceptance and are as much a part of the buying habits of the public as are manufacturers' brands. Most notable in this category are Joan Parker products and Eight O'clock coffee of the Great Atlantic and Pacific Tea Co., and Finast merchandise of the First National Stores. In the fashion field such private brand names as Best & Co., R. H. Macy and Co., and Saks Fifth Avenue need no elaborate promotion schemes to convince the consumer of the quality of the product because these company brand names have become synonymous with the reputation of the company which originated them. Since these companies have gained such a nationwide reputation,

and even though their brands are considered private brands, their reputation must be considered national in acceptance.

Convenience goods such as cigarettes and chewing gum are prime examples where this form of resistance to private brands has manifested itself. In the textile line there have been numerous attempts to promote private brand and unbranded lines with little success. In one case Cannon towels were promoted with these unknown lines, and in spite of the handicap of a higher retail price, these Cannon towels outsold unbranded towels of the same quality four to one. (1)

The nature of the product determines its ability to be branded a private or a national item. Staple goods are more subject to distributor's private brands than are specialties. An example of such a specialty in the fashion field is "Stetson" hats. The differentiation to be made between these two types of goods is that staples are products which can be produced by many manufacturers without any differentiation to be made between these two types of goods is that staples are products which can be produced by many manufacturers without any differences in quality; specialties on the other hand possess characteristics different and distinct from any other item used for the same purpose.

National brands command prominence in products

(1) Women's Wear Daily, "Annual Study of Brands," Section 2, New York, November 15, 1949, p. 91.

where the element of uniformity assures the consumer of maximum protection and personal safety--such items as fuel oil, brake lining, and tires.

PRIVATE BRANDS IN WOMEN'S APPAREL

Formerly, manufacturers' brands on silks, rayons and woolen yard goods meant a great deal as the paramount desire of the consumer was for quality. Now, however, style and design have transplanted this original trend and we have the appearance of more private brands. The speed with which dresses are mass-produced today has reduced the manufacturer's ability to be exclusive. Along with this trend has come the style-pirates who made exclusiveness an impossibility.

In 1933 several retailers promoted their own brands of dresses: Lord and Taylor's "Cavalier", Franklin Simon's "Bromley", Arnold Constable's "Henley", nowhere then was there any extensive sale of dresses under a manufacturer's name in the medium or lower priced fields. In the high income groups such names as Hattie Carnegie and Mainbachers were prominent, but all too often they were the latest creation in Paris. This was due more to the fashion sense predominant in the minds of women at that time. Style uniformity in women's fashions then was a loathsome thought. However, with the depression many changes were developing in the thought processes of women and in the minds of the manufacturers regarding style uniformity. Though style uniformity in women's fashions cannot be compared with that

style uniformity which exists in men's wear, nevertheless, some uniformity has been achieved in women's wear in the last decade.

MERCHANDISE BRANDS IN MEN'S WEAR

As quality is the important factor in men's wear, and style uniformity more or less an accepted fact, national brands have been more successful in this field. Since style piracy does not play such an important part in this fashion line, manufacturers have been able to develop high consumer demand for national brands. This, coupled with the cooperation of retailers and dealers and their demands for quality merchandise, have placed these manufacturers in an enviable position. Examples of these national brands in men's wear are: Hart Schaffner and Marx, Kuppenheimer, Brooks and Bond. John David has long been an accepted private brand in men's fashions in New York.

ECONOMIC INFLUENCE ON BRANDED AND UNBRANDED MERCHANDISE

Since retailers are in business primarily for a merchandise profit, their policies and decisions are made to achieve this end. They also have to bear in mind that a maximum return on their investments has to be attained. To accomplish both of these goals they must and do seek some measure of assurance under the protective umbrella of a brand. To realize an adequate margin, retailers have found it necessary to supplement their national branded items with private brands to maintain their overall mark-

up.

Inasmuch as our monetary system--that of a managed currency policy--effects a changing price level, it too has an important bearing on brand prosperity, national and private. It is a well-known fact that merchandising cycles are correlated with economic cycles. In a period of recession special clearances of lower priced merchandise is a necessity. Merchants have to promote such merchandise to break down sales resistance to maintain their sales volume. During this period national brands vie with private brands. The former are used more as "bait" to get customers in the stores, and the latter are used more and more to protect the margin desired by the merchant. Private brands are more adaptable in this period due to the wholesalers' desire to cooperate and stay in business, larger margins which accrue to the retailer, and the reduced time lag between delivery from wholesaler and retailer.

On the other hand--these lower prices may result in poor quality merchandise and once the customers' purchasing power returns, their immediate reaction is to swing back to national advertised brands of proven quality and uniformity. During this period many private brands are able to gain a foothold and as the cycle turns upward with consistent improvement in merchandise quality, the distributors are astute enough to realize that the brand's chief implication and market value is its assurance of quality-uniformity

and not the price alone.

In this connection it is well to remember that an advertised and branded product is a most common method of escaping direct price competition. Professor Richard T. Ely has said:

"We live today under a regime in which competition has been shifted, by the differentiation of products and sales efforts, away from price. The average producer today dreads the acid test of exact price comparison. He multiplies styles, grades, brands and terms. He spends millions in advertising to convince purchasers that he has something that cannot be supplied by other producers. Each producer of a branded specialty is a quasi-monopolist. No competitor can offer that particular brand. In the case of such goods, consequently there are no definite prices mechanically fixed by the interaction of supply and demand." (1)

But try as they may, most business men cannot entirely extricate their branded articles from the influence of the general price level. If the price trend upward or downward is fairly permanent, sponsors of advertised brands, on the whole, will be found following it, though with some hesitancy.

Even though the price of advertised brands lag behind price movements, many national brand manufacturers have continued to be reluctant to reduce prices to any great extent. They are not sure of the permanence of the price level; they fear heavy inventory losses, and they fear that a

(1) Ely, Richard T., Outlines of Economics, New York, The MacMillan Co., 1921, p. 216.

drop in price will be an admission of inferior quality merchandise. It has been a challenging problem--more so in the depression of the 1930's than in our present economic situation. However, should the national manufacturers lose sight of the importance and influence of economic conditions on the price level, and of the growing influence of private brand items in local and sectional markets, they will find themselves more and more manufacturing private brands for these retailers to secure their control of the national market.

It should be remembered that a genuine specialty sold under a brand is in a preferred position to resist price declines. The more highly specialized the product, other things being equal, the less the national advertiser will be forced to reduce the price of his product during a period of declining prices. The reason for this is that no other concern is equipped with the information and capital goods to quickly begin its production; and that the public mind has not been prepared to accept the product in question under any other brand name.

Nationally advertised brands provide a price umbrella for private brands. The reluctance on the part of the national advertiser to adjust his prices downward in keeping with declining production costs, plays right into the hands of private branders. Since these nationally advertised brands are market yard sticks by which the values of

similar products in the market are often measured it follows that when the prices of these national products hold firm in the face of general price declines they act as a price shield to the private brand, and thus the wholesaler and retailer have a perfect opportunity to promote their own labels. Substitutability lends itself here as the main weapon backed by the lower price of the private brand, the wholesaler and retailer are in an ideal position to push their own labels.

The era of restricted and exclusive handling of national brands is on the wane more and more. This is due primarily to the great competitive forces at work in our economy, and to the fear on the part of the manufacturer of national branded items, that retailers' brands and good unbranded merchandise will gain prestige at his expense. It has been a recognized fact in this marketing practice, that the more outlets a manufacturer has for his products, the larger will be the manufacturer's volume. Years ago the manufacturer used the exclusive outlet method to gain recognition of his product through the reputation of the store. Now that manufacturers' brand name reputation has been established he no longer needs this type handling of his merchandise to insure his business. Mass-production of fashion merchandise and style piracy have also been contributing factors to the decline of exclusive handling of national brands. Therefore, when a retailer undertakes to handle a national brand, he is at the same time assisting other retailers who

handle the same merchandise. The prestige gained from handling the national brand may be profitable to him, but the retailer cannot continue in business long on the profits made from national brands alone. Therefore, he must constantly shop the market for suppliers of private brands of good quality, or combine his retailing function with manufacturing.

MANUFACTURERS' AND RETAILERS' BRANDS VERSUS UNBRANDED MERCHANDISE

Even though the combined influence of manufacturers' and retailers' brands is greater than that of unbranded merchandise, the influence of the latter cannot be treated lightly. Their influence will continue as long as economic changes are occurring in our economy. We have seen in the discussion of the economic influence on branded and unbranded merchandise that in periods of recession merchants find it necessary to stock lower priced merchandise, and it is in this period that the influence of unbranded merchandise is most noticeable. Likewise in periods of scarcity, as that experienced in World War II, this type merchandise also gains a strong foothold. In the latter case, however, as the economy settles down to normalcy unbranded items which have proved their worth on the basis of good quality at the right price survive the competitive market, and often times enter the branded field.

Many items are not as susceptible to branding as others, and because of this unbranded items will continue to

remain in the fashion picture as long as they satisfy the buying public. Such items that fall in this category are furs, jewelry, millinery, handbags, yard goods, and women's ready-to-wear. It does not necessarily mean that in these fields brand names are unknown. Not at all, but their influence is not strong as in other fields, such as hosiery, lingerie and corsets.

Unbranded merchandise may be said to be the watchdog of the economy, because during periods of prosperity it watches and waits for the bubble to burst, then steps in and enjoys a position of comparative strength over branded items which sell at higher prices. This, as we have already noted, is due to the higher margin the retailer is able to get on these unbranded items, and the fact that during periods of recession the consumer thinks in terms of lower prices as the retailer thinks in lower costs.

CHAPTER IV

RELATIVE IMPORTANCE OF BRANDED AND UNBRANDED

MERCHANDISE IN WOMEN'S WEAR

During the period from the depression of the 1930's and prior to World War II national brands enjoyed unprecedented favor in many lines of merchandise. However, in the women's ready-to-wear field their impact had yet to be felt.

Retailers' private brand merchandise was well accepted and women were still reluctant to fall into a pattern of style uniformity in the selection of dresses and coats. On the other hand in the period before and after World War II corsets, brassieres, lingerie and daytime and house dresses were more acceptable in national brands than in private brands. (1) This was due in part to the fact that these items did not embody the style motive as the basis of purchase, but lasting quality was their main selling feature.

During the lush war years of 1941-1946 people bought anything--branded or unbranded. This was due to the scarcity of merchandise and the easy-going customer spending. However, the fact must not be overlooked that in those items that were rationed, such as shoes in fashion lines, considerable sales resistance was noticeable on the part of the consumer in purchasing unbranded or private branded shoes.

(1) Women's Wear Daily, "Fourth Annual Study of Brands Survey," Section 2, Part 1, New York, November 9, 1948, p.32.

People who never before purchased national branded shoes would hold off purchasing a pair until they were able to get a brand they felt would contain the quality they desired. True, these same people did not have to know from experience that branded merchandise was any better, but through advertising they had previously read they had become unconsciously convinced that branded shoes must be better than unbranded shoes.

DECLINE OF SHOPPING HABITS:

Just what was behind this movement of changing from a preference for unbranded goods to branded goods? Many manufacturers would strongly maintain that their part in advertising their merchandise plus incorporating better quality was behind this trend. There may be a bit of truth to their argument, but on the other hand one must go behind that to ascertain whether or not something prompted them to push their products in such a way. It all goes back to the old saying "which came first--the chicken or the egg". It would be correct then to say that both the consumer and manufacturer had a combined desire to satiate--the consumer wanted the best for his money, the manufacturer wanted the best profit at the least cost and wanted a market that would continue to give it to him.

An expanding population means an expanding volume of business; an expanding country means greater distribution, and the combination of the two means more profits to the manufacturer

and more selection of goods to the consumer. This greater selection of goods to the consumer also leads to a more selective buying pattern on her part, and thus we have the evolution of the stress on quality and style and not style alone in fashion items.

Other factors, however, enter into this picture. Most important and possibly most perplexing to the retailer is how do people buy. When our country was in its formative stage people earned their money the hard way and as a result much thought was put behind the value of a purchase. This meant shopping for goods, comparing quality and price and style. This took time which was not begrudged. In our present era of high pressure living with the radio, motion pictures, telephones, television and automobile, the less time that is spent on shopping the better. It is because of these modern conveniences or distractions that the shopping habits of people have changed. The automobile and growing population have been instrumental in the growing trek to suburban areas and traffic congestion in the cities with the result that women shoppers spend less time in the city and are more prone to do their buying in secondary shopping centers. A good example of this is Boston with its narrow downtown streets and heavy pedestrian traffic. Therefore, women seek branch stores in suburban areas in which to shop, or depend on local suburban stores with branded merchandise to diminish the time spent for shopping.

Most large department stores in the large cities have recognized this trend and have established branch stores in these secondary shopping areas.

It is utter folly to say that all women have followed this trend, but on the whole the majority of women have cut down on the time spent in shopping for merchandise. This has been made easier by greater advertising of fashion merchandise in fashion magazines, such as Glamour, Vogue, Mademoiselle, Harpers Bazaar, Charm, and Seventeen, and the introduction of fashion magazines that fit all income groups and not only the upper and upper-middle brackets.

As a result, shopping goods are no longer shopping goods in the same sense as we knew them ten to fifteen years ago. Then a great many families had a maid and there was plenty of time for the woman of the household to do her shopping. Today the trend is away from having servants and more women depend on fashion information in the magazines more and more as their guide to shopping. Because this fashion information is disseminated quicker now due to the large number of magazines, the need to shop in the stores is diminished greatly.

Due to advertising of branded merchandise women now are more prone to telephone the store of their choice and order an item by name. This is most convenient and helpful especially where the woman has a regular salesperson and a charge account. It is particularly helpful when sales

are on--it is not unusual to have the saleswoman call the customer and ask her if she is interested in such and such an item before the sale is even advertised. More and more this type of shopping will be found where brands are stressed in local advertising by the department stores.

Past experience has shown that as confidence in branded items increases time spent for shopping of those items decreases, therefore, it is expected that this trend will continue in the future, and as branded merchandise becomes more prevalent in the unbranded strongholds of today, buying habits will change even more.

This leads us to a consideration of the psychological factors which underlie all buying motives. Why do people buy what they buy and on what do they base their final decisions? (There is no hard and tried rule which will give the right answer--but some attempt must be made to measure these factors to determine how to deal with consumer demand.) As we have pointed out before, women lean to style whereas men lean to quality when purchasing fashion items. Yet who sets the stage for these items to be considered the style or in style? The impact of advertising on a national scale with local tie-in has done more to influence these final decisions in the selection of merchandising and setting the style stage than any other factor. All advertising has been centered around the theory that the more recognition exists

in the mind of the consumer, the more easily is he influenced in buying that which he recognizes. The branding of a product has been the best means of identifying its producer or creator and of facilitating its immediate and visual recognition by those familiar with and seeing its special merits. It has been said that in advertisements, men look at men, and women at women as a general rule. This determines to a great extent how many men as compared with how many women will see, read and carry away a brand-impression of an advertisement.

The increase in the number of fashion magazines in recent years has accomplished more in furthering the cause of the national brand than any other media, and in achieving wider acceptability of national brands in those fields of fashion that have shown the greatest resistance to national branding.

The use of brands in the production and distribution of women's apparel has come to pass relatively late. Brands in the ready-to-wear field began being used soon after World War I. They were developed and used as powerful promotion tools between the two wars, but lost their strength and importance during World War II due to the country's economic condition and resultant scarcity of materials and distortion of the markets. However, with the return of normal conditions it is interesting to compare the fields wherein national brands, private brand and unbranded preferences are most noticeable.

The fourth annual study of Brands Survey made by Women's Wear Daily in 1948 clearly illustrates the consumer preferences. This survey covered stores in 398 United States cities (see Chart #1 on following page).

"The relative strength of national brands, private brands, and unbranded goods varies greatly among the 14 departments covered in this report. Individual trends are also noticeable in the six merchandise classifications chartered here.

"In the typical corset and brassiere department covered in this survey, 91 per cent of total sales are in national brands--by far the highest. National brands are of least sales significance in the ready-to-wear group.

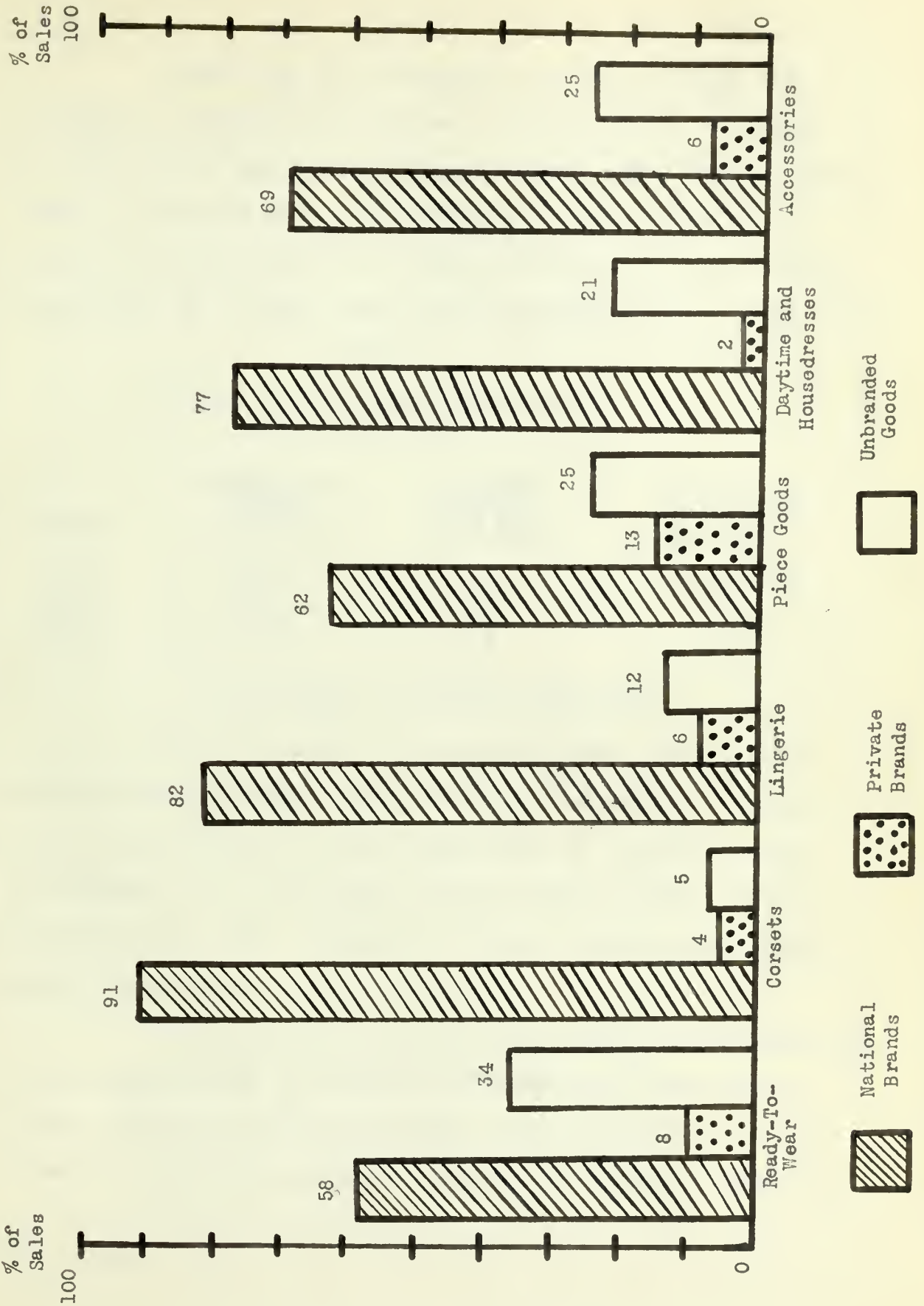
"The range in sales of national brand lines within the ready-to-wear group is considerable, however. At the top of the list are dresses, where the average department did 69 per cent of its total sales in national brand merchandise. Following closely are coats and suits with 67 per cent; the blouse and children's wear departments, each with 65 per cent in national brands; and sportswear, 63 per cent. Pulling down the average for the ready-to-wear departments are millinery, where only 41 per cent of sales are, on the average, in national brands, and furs, with 28 per cent. These two departments are the strongest in unbranded merchandise and in private brands.

"Among the accessory departments, hosiery is strongest in brands, as the typical department does 84 per cent of its total sales in national brands alone. Gloves do 74 per cent of the business in this category. One of the weakest departments for brands is handbags, where only 48 per cent of the sales is in national brands." (1)

(1) Women's Wear Daily, Sec. 2, Part 2, November 9, 1948, p.1.

CHART I

THE RELATIVE STRENGTH OF NATIONAL BRANDS, PRIVATE BRANDS, AND UNBRANDED GOODS



Source: Women's Wear Daily, Section 2, Part 2, November 9, 1948, p. 1.

Brands are the strongest factor in corset and brassiere merchandising--because national brand coverage is complete in the country's departments which handle these items. The consistency of national brand popularity of corsets and brassieres is clearly indicated in the following report on a brand survey made by Women's Wear Daily. (1)

TABLE I

STORES CARRYING BRANDED CORSETS
AND BRASSIERES

<u>Year</u>	<u>National Brands Per Cent</u>	<u>Private Brands Per Cent</u>	<u>Unbranded Per Cent</u>
1945	100	0	no survey
1946	100	26	53
1947	100	16	23
1948	99	6	17

(Percentages of Stores Reporting)

The development of national brand consciousness and preference in this line of merchandise has to a great extent set the pace for the acceptance on national brand merchandise in all the other apparel departments. Those sections which show a decided increase are hosiery, lingerie and blouses.

Brand names of materials and special processes used in the manufacture of corsets and brassieres also play a fairly important role in consumer buying habits. The best examples of this in national brands are: Lastex, advertised

(1) Ibid., p. 2.

as a miracle yarn and is manufactured by the U. S. Rubber Co.; Flexees and numerous branded merchandise that stress Du Pont nylon. The outstanding consideration of the corset and brassiere customer in selecting a garment is fabric. The aforementioned survey found also that 75 per cent of the stores surveyed, reported that inquiries about the component part of foundation garments concerned fabrics, a trend which is also found with respect to other apparel classifications, since the elements of body control and comfort are of such paramount importance in corsetry.

The washing qualities of fabrics are most important in foundation garments as they should be laundered frequently. Therefore, constant testing and research must be done by the manufacturers of these garments to guarantee their continued existence in such a competitive market.

To eliminate the style factor as a buying motive even in foundation garments would be facetious. As early as 1937 this theory was proved with great success by Formfit foundations in their tie-in with Schiaparelli gowns as noted in the following quotation from Printers' Ink.

"In the world of fashion the French Couturiers are always big news. They dictate style trends and observers at the official Paris openings in February and August quickly cable the outside world what the new silhouette and new fashion will be. Manufacturers of all sorts of women's apparel and accessories are guided by this information.

"In 1937 Elsa Schiaparelli was approached by the Formfit Co., Chicago, to see whether she would cable advance information to them and suggest designing details. This she did. She also sent sketches of new gowns and dresses so the company could interpret the mode and incorporate the features of the new silhouette into their foundations with her personal okay. The result was a line of foundations designed to meet the requirements of each season's silhouette and ready with the season's outer fashions.

"This was the first time it was possible to sell any item with an 'approved-Schiaparelli-Paris' label.

"A complete advertising campaign was started and built around the label. Formfit used trade-papers, salesmen advance cards, newspapers, rotogravure in black and white, and for the first time used women's fashion magazines." (1)

Very little text was needed to tell the story as everyone knew the Schiaparelli reputation and prestige. Thus, it may well be pointed out that both quality and style are important motives behind the buying habits of women even in foundation garments. This proves in part the success national brands have had in gaining such a prominent position in this field of women's apparel.

The large advertising subsidies too are most common in corsets. It was found in the Women's Wear Survey of 1948 that in 53 per cent of the retail stores, manufacturers pay less than one-half of the advertising costs, while 36 per cent say they receive no help at all. Ten per cent report

(1) "Schiaparelli Tie-up; The Formfit Promotion Built Around Approved Schiaparelli-Paris Label", Printers' Ink, December 1938, p. 16.

that manufacturers contribute more than one-half and only 1 per cent report that the resources take care of the entire cost. (1)

Considering the acceptance of national brands in this field, it is only natural that promotional devices are welcomed by stores--not only on the basis of lower advertising expense and prestige, but the "pulling in" power they have.

Psychologically all consumers prefer to purchase an article that they feel is not only backed up by the store, but the manufacturer likewise. This, advertising and branding has accomplished through the years, and the retailers and manufacturers have, in most lines, stood behind the guarantees manifested in these ads.

True advertising and promotion are not the end-all in selling these garments. Above-the-ordinary service must be available in the cooperating stores to assure continued acceptance of these brands--because no matter how good the garment is, if it doesn't fit the individual properly after she buys it--all the advertising in the world will not convince her that the garment is as good as the promoters claim.

Next in importance as to preference in women's apparel in national brands is lingerie, negligees and robes. Possibly the real reason for this is that when manufacturers

(1) Women's Wear Daily, Sec. 2, Part 2, November 1948, p. 4.

became concerned over the wide variance of heights and sizes in women and advertised proportional slips on a national basis, retailers were forced to accept this newly created demand. Thereafter, national brands in slips made their way to the top. Outstanding names in this fashion line are Laros' dimensional slips, Artemis, Rhythm, Vanity Fair and Munsingwear.

Two-thirds of all lingerie made is in national brands. Chain stores and mail order firms account for the other one-third either in their own private brands or unbranded items.

In the 1948 Women's Wear Fashion Brands Survey it was found that 97 per cent of the stores stocked national brand lingerie, unbranded goods were carried by 45 per cent and only 13 per cent handled private brands. In 1947 unbranded lingerie was carried by 57 per cent of the stores and 88 per cent of the stores carried them in 1946. (1) Just what accounts for this 33 per cent decrease in the number of stores carrying unbranded lingerie in a three year period, is a conjecture. It may be, and quite conceivably could be, the easing-up of brand selection and availability brought on by scarcity during the war, or that the country's return to normalcy and a buyer's market has brought a return of merchandise that the buyer requests and not merchandise that he has

(1) Ibid., p. 25.

to take as there is nothing else to be had.

The bulk of brand lingerie sales are found in the middle brackets, as is the case in the corset and brassiere lines. This indicates that the bulk of brand influence is in the medium-price bracket. This represents the conservative theory in our economy, and this income group predominantly looks to quality as their guide in the selection of merchandise and are more prone to ask for merchandise by name, especially in these two lines.

Extensive promotion of fabrics desirable in underwear by major mill suppliers accounts for much of the growing interest, on the part of women, in what goes into the product they are buying. This interest trend in fabrics has been felt in other fields, especially in handbags and gloves, the two fashion fields where branding of merchandise has had little concentration.

Retailers feel that the consumer through the radio and press is being made familiar with national brands which tends to lessen consumer resistance at the point of sale. Therefore, the smaller retail units which are adequately represented in the lingerie field, welcome promotional aids of all types from manufacturers.

Some outstanding names in this classification are: Mary Barron, Carters, Juliana, Miss Swank, and DuBenay. The writer observed that in all of the ads of these leading brand

items, Bur-Mil Quality rayon fabric or Bemberg rayon fabric were promoted in the ad.

Chart #2, on the following page, from Women's Wear Daily shows the extent to which customers ask for brand names of fabrics used in the finished merchandise, by departments covered in this report. (1)

Piece goods are not only a fashion item in women's apparel but also in men's wear and home furnishings. Their appeal on a fashion basis has been furthered with the mass production of ready-to-wear. Where the latter has not moved ahead in branding as rapidly as other lines of fashion merchandise, the extent to which it has may be attributed to the fact that the consumer, once he is aware of the brand name of the material in the garment, is convinced the garment is satisfactory despite its own name label--if, of course, the style too is satisfactory.

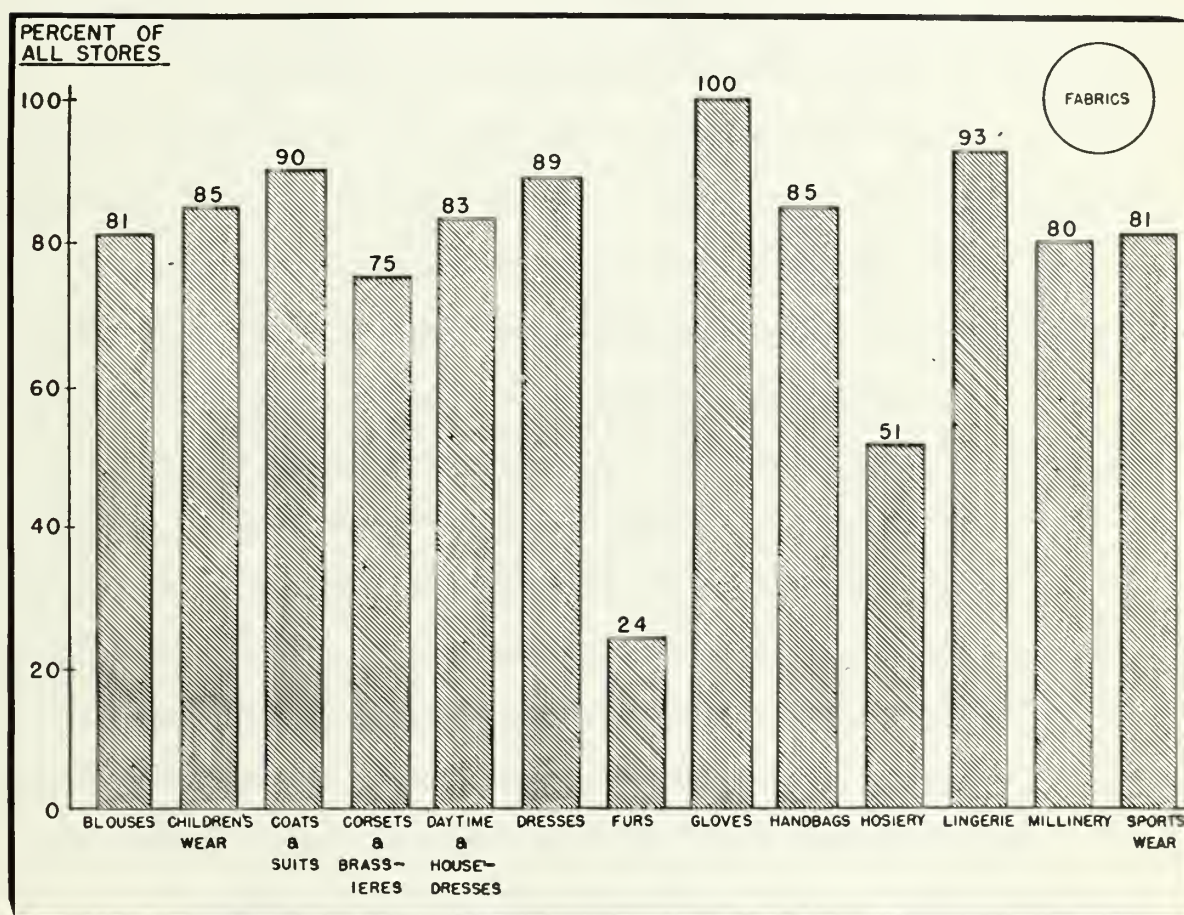
The National Mallinson Fabric Corporation has done for the rayon goods industry what Rosenfeld has done for the dress industry. It has put design into rayon fabrics that stress style. In woolens the Forstmann Woolen Company has done likewise, and in cottons it is Peter Pan.

This line of fashion merchandise, however, lends itself to private brands and unbranded merchandise as well as to national brands. In fact, national brands have only the greatest advantage in piece goods in the finished apparel

(1) Ibid., p. 25.

CHART II

Brands Blanket Piece Goods Sections; Customers Ask for Name Fabrics



Source: Women's Wear Daily, Section 2, Part 2, November 1948, p. 25.

lines and the medium and high price brackets. This is best explained by the fact that when piece goods are bought over the counter, the consumer is seeking the price advantage of the unbranded goods especially in the wide budget-and-under customer groups. This trend is always most prevalent in periods of a rising price level--when the consumer wants to get the most for her money, yet still be in style.

Advertising assistance from the fabric producers to the retailers is not and has not been offered as a promotional lure to bolster the retailers' advertising budgets. The retailers know, however, that institutional ads which feature the fabric-brand name increase their volume of sales more than if they had not advertised the fabric.

The fact, that present increasing cost of living is daily forcing women to make their own wearing apparel, has placed a decided advantage in the hands of the fabric producers. More and more women are becoming primarily interested in the special processes employed in developing these fabrics--therefore, the possibility of greater national branding in this field is not to be overlooked.

The daytime and house dresses lines follow closely the above trend. It is evident that the millions of dollars spent on advertising of fabrics and special processes are bringing good returns. The idea of creating a consumer demand for the basic materials so as to make manufacturers use it in their product, has been more effective in the apparel

field than anywhere else.

Mail order-retail chain stores have been outstanding in this particular field for many years. Sears, Roebuck & Co.'s Kerrybrooke line in women's fashions has long been an accepted private brand; the Carol Brent fashions at Ward's is another proven brand. Nelly Don is immediately recognizable by all women for outstanding workmanship and quality plus good conservative style.

The field of branded merchandise in furs is one that permits much room for development, promotion and advancement. There are numerous reasons why furs have not attained the wide scope of brand usage that other goods have. Unbranded furs have always accounted for the profit bulk to retailers in this field. Women will ask about the brand names of the materials which make up the fur garment, but beyond that they show little concern in demanding a coat by a particular producer's label. Usually a fur garment travels a circuitious path before the final product is realized. The skins are dyed and dressed by one firm yet not manufactured by it; and how many producers who just dye the product can vouch for the quality of the skin, and would vouch for it under his own label? The fur retailers' reputation is far more important to the consumer in this field than the manufacturers' brand.

Other items, such as jewelry, draperies and house furnishings are usually purchased at the retail store which

has built up a reputation for such merchandise and not for the brand name behind the merchandise.

In the accessories line hosiery alone has proved outstanding in the fashion field as being preferred by most, if not all, the consuming public as a branded item. This item can be promoted in the basement stores as well as upstairs departments without any loss of prestige to the retailer. Manufacturer's cooperation in maintaining consistent high quality, and using fabrics and yarns that stress longer wearing qualities, has led to increasing confidence on the part of women purchasers.

Handbags and gloves along with millinery have continued to lead in sales in the unbranded lines. This could be due to the nature of the product itself. With the possible exception of the handbag, these items are not basically an every day necessity. Women know that leather will wear as long as they will have need for it, and as long as the style factor, color and wearability feature is present in a handbag, their wants will be satisfied for sometime to come. Handbags can be used from season to season, and season into season--this is not as easily done in millinery where each season requires a new fabric, color or style to satisfy. Fabric substitutions in the handbag line have enabled manufacturers to embody more and more individual season acceptability--but resistance is still apparent in Jane

Public. She can postpone buying a new handbag or a pair of gloves and get along with last year's, but a new hat is a horse of another color. Gloves have usually been sold on the basis of fabric identification. Two brand names have been conspicuous in this field for over fifteen years. They are Van Raalte and Kayser. Any preference for their particular merchandise may have been established from the use of other lines for which they are noted, namely stockings and underwear.

The extent to which branded and unbranded items were carried in stores from 1945 through 1948, may be seen by the following table. (1) This table indicates that for the four year period, 1945-1948, nationally branded fashion items have maintained their high level of distribution within stores, showing increases in blouses, coats and suits, daytime and housedresses, dresses, and sportswear. In these categories, however, it will be noted that in 1946 all but blouses had a higher percentage of stores covered than they did in 1948, although there is a general overall increase for the four year period. Major decreases are shown in gloves and millinery, but this is not too surprising as these two items are still predominantly unbranded merchandise and accepted as such, particularly millinery.

(1) Women's Wear Daily, "Fourth Annual Study of Brands Survey," New York, November 9, 1948, Sec. 2, Part 1, p. 10.

TABLE II

**STORES CARRYING
NATIONAL BRANDS, PRIVATE BRANDS, AND UNBRANDED LINES**
(Percentages of stores polled.) =

Classifications	National Brands				Private Brands				Unbranded Goods*		
	1945	1946	1947	1948	1945	1946	1947	1948	1946	1947	1948
Blouses	94	95	97	100	20	18	29	17	95	74	55
Children's Wear	—	100	97	93	—	21	22	19	95	62	60
Coats and Suits	84	97	95	96	30	41	27	14	90	71	55
Corsets and Brassieres	100	100	100	99	0	26	16	6	53	23	17
Daytime and Housedresses	95	100	99	100	12	15	21	7	94	61	42
Dresses	88	100	94	97	16	31	38	7	87	74	49
Furs	—	79	75	75	—	18	28	36	87	75	50
Gloves	92	100	99	85	18	27	22	17	92	43	43
Handbags	83	99	95	83	15	25	22	16	99	78	65
Hosiery	98	98	99	97	37	46	23	18	71	46	32
Lingerie	98	100	97	97	12	11	18	13	88	57	45
Millinery	92	96	90	71	40	51	50	32	92	62	56
Piece Goods	—	100	99	98	—	9	—	29	96	41	63
Sportswear	84	99	99	93	20	38	33	22	98	77	45

* Not covered in 1945 survey.

- Total of 2,258 usable replies to questionnaires were received from retailers in 47 states and the District of Columbia.

Source: Women's Wear Daily, "Fourth Annual Study of Brands Survey", Section 2, Part 1, New York, November 9, 1948, p. 10.



Private brand fashion merchandise shows an increase of representation in only two classifications, namely furs and piece goods. Private brands are rarely successful except with the larger department stores or specialty shops who have exceptionally good relationships with manufacturers. Inasmuch as furs are not nationally branded to any great extent, it is not surprising that many stores would use their own private brand label for this item.

All unbranded goods except piece goods show a decrease in distribution. This is consistent with previous data that, as more and more merchandise became available for the public as our economy approached normalcy, unbranded merchandise has tended to be replaced by branded goods.

Table 3 illustrates the volume of business done in branded and unbranded fashion merchandise lines, the stores surveyed as to whether they carried branded or unbranded merchandise, also gave information as to their sales in each category.

In 1948-1949 national brand sales show an increase in all classifications except coats and suits, daytime and housedresses, and dresses which decreased 1 per cent, 3 per cent, and 5 per cent respectively. This decrease is slight, however, in coats and suits and dresses when looking at the increase each made in 1948 over 1947--18 per cent and 17 per cent. Handbags on the other hand made an 8 per cent increase in 1949 after a 1 per cent drop in 1948. The 13 per cent in-

TABLE III

Percentage of Stores' Dollar Sales in National Brands,
Private Brands and Unbranded Goods, 1945-1949

Classifications	National Brands					Private Brands					Unbranded Goods				
	1945	'46	'47	'48	'49	1945	'46	'47	'48	'49	1945	'46	'47	'48	'49
Blouses	53*	53	62	65	68	*	6	5	8	5	47	41	33	27	27
Children's Wear	—	52	60	65	66	—	4	8	8.	4	—	44	32	27	30
Coats and Suits	43*	43	49	67	66	*	13	6	4	4	57	44	45	29	30
Corsets & Brassieres ..	100	87	89	93	94	0	5	3	2	1	0	8	8	5	5
Daytime, House Dresses	62*	65	72	74	71	*	3	4	5	5	38	32	24	21	24
Dresses	38*	45	52	69	64	*	8	6	4	4	62	47	42	27	32
Furs	—	10	28	28	41	—	8	12	18	5	—	82	60	54	54
Gloves	75*	60	79	74	84	*	6	5	7	3	25	34	16	19	13
Handbags	41*	45	49	48	56	*	2	7	7	4	59	53	44	45	40
Hosiery	79*	76	81	84	86	*	9	5	6	5	21	15	14	10	9
Lingerie	75*	69	73	77	78	*	2	4	5	4	25	29	23	18	18
Millinery	37*	28	29	41	51	*	19	29	18	9	63	53	42	41	40
Piece Goods	—	60*	60	58	65	—	*	9	12	3	—	40	31	30	32
Sportswear	46*	52	59	63	65	*	6	5	7	5	54	42	36	30	30

*Includes both national and private brands.

Sources: Women's Wear Daily, "Annual Study of Brands--Fifth Issue", Section 2,
New York, November 15, 1949, p. 22.



crease in furs is notable, as is the 10 per cent increase in gloves, 10 per cent increase in millinery, and the 7 per cent increase in piece goods. This seems to indicate that the increase in volume of business is in the stores that have found it advantageous to carry national brands. It also proves further that in ready-to-wear, especially coats and suits and dresses that there is not the persistent demand for nationally branded items; or it could also indicate that private and unbranded ready-to-wear is improving, or price resistance is at work on the part of the consumer.

On the other hand, unbranded and private brand goods both showed decreased sales in hosiery, handbags, and millinery which were increased in national brands. Unbranded children's wear, coats and suits, daytime and housedresses, dresses and piece goods increased 3 per cent, 1 per cent, 3 per cent, 5 per cent, and 2 per cent respectively.

Generally speaking in those classifications, handbags, furs, gloves, millinery and piece goods--where national brand sales increased greatly, it was at the expense of both private and unbranded sales except in furs and piece goods which were at the expense of private brands only; unbranded fur sales remained the same and unbranded piece goods sales increased.

The overall picture 1946-1949 (1945 not included as national brands that year also included private brands in the survey) is that national brand sales increased in every category;

whereas private brand and unbranded goods decreased in sales in almost every classification.

The large increase in sales of coats and suits and dresses in 1948 is probably due to the fact that by this time most stores were well stocked with merchandise, and people were replenishing their depleted and worn out wardrobes. It was also a period of the "new look" which necessitated a complete change in wardrobe. And the decrease in sales in these same lines in 1949 may well be attributed to the recession scare during 1948. That unbranded goods showed an increase in sales in these items while private brands remained at a standstill, further bears out the influence of the economic condition of our country on the buying habits of the consumer.

The tremendous increase in sales in furs, gloves, millinery and piece goods in national brands may be due to the fact that more manufacturers are exploiting this fertile field where brands have not been used to any great extent, or have they been pushed to any extent before this period. Any further decrease in the sale of furs, handbags and coats with fur trim in any of the three categories should not cause too much concern, because until the government decides just what is to become of the luxury tax on these items, the consumer will hesitate to purchase this type merchandise until such time as they are certain a change is not going to be made, or that a change is certain to be made.

CHAPTER V

THE IMPORTANCE OF TESTING, STANDARDS, AND ADVERTISING ON THE BUYING HABITS OF THE CONSUMER

The question may well be asked at this point-- why all this concentration on brand names in our present day living, especially in the field of fashion merchandise? One of the answers may be found in the role the government has played in developing standards.

The years of work done by the National Bureau of Standards in almost all fields is of inestimable value to both national and private brand manufacturers in all lines of endeavor. The data collected over the years by this agency have been of value not only to producers, but to buyers and consumers.

There is some sort of a standard or government specification for almost any product one can think of which accurately describes its construction, quality and performance.

Minimum standards have been set forth as a guide to the manufacturer, and as long as he meets these minimum requirements he may label his product. If he chooses to make his product much better than the requirements demand, he only needs to advertise the fact, and he engenders in the minds of the consumer this "unusual" feature. These standards cover only the basic fundamentals necessary to

insure a product of a given quality, therefore he is free to set his own style and add any features which may enhance his product.

The bureau is constantly working on new standards and encourages groups to come in and request cooperation in developing commercial standards. A staff of experts is available to coordinate and develop such standards. The best brains in the business, both in the government and private industry are at the disposal of any organization which elects to use this service. These standards are not arbitrarily set, and compliance with them is entirely voluntary.

There is a decided disadvantage in setting up an individual standard because the enormous amount of advertising that would be necessary before the public would accept it as gospel is incalculable. A product, however, that carries a label stating that it meets the requirements of a certain commercial standard as a rule, meets with ready acceptance.

In 1939 it was found that the housewife controls 85 to 90 per cent of the nation's buying and is the militant consumer of our day. An article in Sales Management said:

"Her wishes are changing our business practices. Food and drug legislation, fibre identification and informative labeling are her most important achievements to date." (1)

(1) Kelley, E. M., "Consumer Movement: A Pain in the Neck-- Or a Sales Opportunity", Sales Management, March 15, 1939, p. 18.

Printers' Ink also depicts women's fight for truth in the following statement:

"The Wheeler-Lea Act said manufacturers could no longer declare his product to be 'water-proof', 'sun-proof', 'harmless', 'all-silk', 'all-wool', etc., unless he can prove it. Proof now depends upon the strictest laboratory tests by firms whose experts are among the highest salaried men and women in the business world today, so important have research and test before acceptance become. Back of these privately financed tests, is the government department whose watchful eye prevents evasion of the law.

"Manufacturers are eager to obtain the precious seal of approval of the Good House-keeping Institute because of its proved box-office value--not to mention approval by other institutions or publications, for the same commercial reason." (1)

In 1939 many manufacturers created new technological divisions to test products that were to be advertised as a result of this consumer movement. Naturally during the second World War these divisions were diverted from consumer goods to war materials, yet the knowledge gained during the war was invaluable to them and with the return of the buyer's market as it is now becoming, testing laboratories expect certificates of quality to be an increasing part of brand promotions.

Consumers are more critical now of the merchandise they shop for, and having become acquainted with new processes developed during the war demand the same quality and

(1) Lyman, Clara Brown, "Women's Fight For Truth Now Brings Opportunity To The Advertiser", Printers' Ink, January 5, 1939, p. 64.

THE UNIVERSITY OF CHICAGO

CHICAGO, ILLINOIS

TO THE HONORABLE SENATE OF THE UNIVERSITY OF CHICAGO
I have the honor to acknowledge the receipt of your letter of the 10th inst. in relation to the proposed amendment to the constitution of the University of Chicago, and in reply to inform you that the same has been referred to the Committee on the Constitution, and that they are now considering the same. I am, Sir, very respectfully,
Yours very truly,
JOHN D. COVILLE, Secretary.

THE UNIVERSITY OF CHICAGO
CHICAGO, ILLINOIS
JANUARY 10, 1892

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new ideas to be incorporated in the goods they now desire.

Testing has become more significant in the textile field because of the growing number of synthetic fabrics. It will continue to be so because of the use of chemicals in fabrics which has created a need for more highly trained technicians to keep up with the industry's scientific advances.

The most well known organizations of this type are the Good Housekeeping Institute, U.S. Testing Co., and the Better Fabrics Testing Bureau. The first is maintained as a promotional adjunct of the Good Housekeeping magazine while the other two are commercial enterprises.

Good Housekeeping gives its seal of approval to any resource whose advertising is accepted after his product has been approved by the magazine's research laboratories. The publication stands behind the seal by guaranteeing that if the product or service is not as advertised it will be replaced or money refunded.

The advertiser is not charged for the tests or use of the seal. Advertisers are the only resources who can use the seal, but manufacturers whose products are mentioned in the fashion editorial columns receive tags which state, for example, that the fabric can be cleaned satisfactorily and that the colors showed good resistance to light fading. All material discussed in the editorial columns must be tested

for wearing qualities.

The magazine often ties in with stores for promotions on products that bear their seal. Also, stores are mentioned in the editorial columns which carry the merchandise described in the editorial columns.

The U.S. Testing Co., which started as tester of silk, has expanded in many lines so that now it is one of the largest concerns in the general testing business. Each year it provides scientific information on over 150,000 products in its large plant in Hoboken, New Jersey, and branches in New York City, Greensboro, Woonsocket, Philadelphia, and Chicago.

Better Fabrics Testing Bureau, which specializes in the fabrics and plastics fields, runs about 100 tests a day. It does most of its work on a retainer basis from large organizations.

One of the problems in the testing business is preventing misuse of seals in advertising. Constant checking is necessary to assure that the resource will maintain the quality of his products.

The Good Housekeeping seal can only be used for six months after the ad appeared for that model. To continue its use, the product must be re-submitted for analysis.

These commercial laboratories do not stop at just

testing. They have representatives lecturing to retailers and consumer organizations on the value of their seals.

Other magazines have followed the lead of Good Housekeeping magazine. The Parents' magazine has such a service bureau; The Consumers' Protection Label of the National Coat and Suit Industry Recovery Board is another type of seal which signifies to the consumer that the merchandise has been properly tested.

Is it any wonder then that manufacturers seek to establish a brand name that is acceptable and one that has been tested! The consumer has found that to be forewarned is to be forearmed--this testing service accomplishes just that for the consumer. It guarantees this and that to be as advertised, if not your money back. What consumer will forego such an offer even if it costs her a few cents or dollars more? Not many. This is one of the strongest arguments in favor of brand merchandise. A brand name plus the various seals of approval, offers a three-way guarantee--from the magazine, the retailer and the manufacturer. That is a lot of security in these days of increasing insecurity.

It is interesting to know how many manufacturers have met this new consumer demand for brand products, and how they have met them in terms of new fashion trends. This latter problem was more pronounced in the men's wear items than in women's.

The Sweet-Orr Company which invented overalls in 1871, found itself faced with the new trend in men's fashions, --i.e. the Riviera and its influence on men's styles, Elizabeth Hawes, women's fashion designer, and her futuristic writings on men's fashions, plum-colored corduroys and such. Therefore, it found itself in the midst of a business conversion. So wherein lay the answer to the problem was what they had to determine.

To branch out into the field of sportswear after being associated only with work clothes for so many years was indeed a change bordering on the embarrassing side, to say the least. Their trade-mark and the quality through the years of its products firmly built for the company this reputation, and to reeducate the public to identifying this company with the manufacture of sportswear might carry to the minds of the readers an aroma of strong canvas, grease, or paint.

Men's styles do not suffer any sudden revolution, such as women's styles do, but changes occur gradually. The trend from wearing work clothes to work, at work and from work changed to that of wearing them only on a job, and changing into old pants and a shirt before going home. Then the trend for many companies using industrial uniforms came into being.

The acquisition of more leisure hours, due to mass

production, influenced this company to launch the idea of a summer line of slacks and shirts. This proved so successful that the company felt the way was clear to introduce its Sportswear campaign. Playing up the name SO-KOOL as a highlight over the Sweet-Orr name enabled the public to overcome any shock that might have resulted had the latter name been used exclusively. Yet the use of the latter in a lesser light enabled the company to capitalize on its years of prestige.

This successful venture led the company next to enter the sportswear field for other seasons of the year. Another format had to be used in place of SO-KOOL--yet they had to maintain tie-in with the old prestige. Their new copy then read--"America's Finest Stores Now Feature a Name Honored For 68 Years.....On a Significant New Label". "Meadowfield Sportswear by Sweet-Orr." (1)

Manufacturers of well known women's fashion items have had to meet this problem in new fashion trends, but in so doing have brought out complimentary lines. Warner's brassieres were first introduced, then with the introduction of elastic rubber into the girdle industry they added this product to their line.

Other problems arise, many on the retail level,

(1) Peterson, Eldridge, "Look Who's Here!", Printers' Ink, August 11, 1939, p. 11.

especially in terms of profits, and how to achieve stability in same during periods of low prices and high prices. Ohrbach's of New York, Newark, and Los Angeles has proved that it can be done. It is a well known fact in the marketing field that merchandise must match the store personality. A store that caters to the low income groups cannot be expected to carry only branded merchandise if it is expected to stay in business very long. Ohrbach's not only caters to this income group but sees to it that they get high-grade merchandise at a price. This same merchandise has at one time worn the label of the leading brand manufacturers. However, this store protects the manufacturer by removing all such labels and disguising them under the Ohrbach's Del Arte label. The management never discloses a source, past or present, nor do they pay any less for the merchandise. Their whole secret lies in keeping their expenses down. They take a low mark-up, offer the minimum of services and maintain a strictly cash-and-carry policy. Merchandise is not advertised as branded merchandise to lure customers--word of mouth advertising is all that is needed to inform women of the bargains. People that buy at Ohrbach's are not looking for name brands, trade-marks or the Good Housekeeping Seal of approval, they are there to save money and to get quality merchandise.

Many leading retail stores may have to look at the Ohrbach policy in periods of recession when the pinch really

is felt where it hurts most, and revamp their policies in regard to leaning too heavily on branded merchandise's national advertising to sell the product without any special effort on their part to promote the merchandise with their own tie-ins. Many retailers expect the national advertising alone to sell branded merchandise; many feel this is all that is necessary and as a result find little cooperation on the part of the manufacturer of these branded items when business is in a slump.

In consideration of the part advertising has played in fostering such pronounced campaigns on branded merchandise, some insight must be gleaned as to how this scheme works.

For some years the practice of subsidizing retail advertising has been fairly common among manufacturers of branded lines, for the obvious purpose of inducing retailers to use more advertising lineage on behalf of such products and thereby to promote sales.

During the war and postwar years when all kinds of shortages existed, when merchandise was literally snatched out of manufacturers' hands by retailers, the practice became more widespread than ever. There was no resistance to sales at the wholesale level, markups became larger, profits rose by leaps and bounds. Money spent for advertising came out of surplus that otherwise would have been taxed away. Thus, subsidizing retailers' advertising actually did not come

out of the manufacturers' pockets.

Then with the period of readjustment, shortages became a thing of the past and production rose. Excess profit tax was taken off the books, markups became more normal, and so did profits, and the competitive spirit returned to the industry. Manufacturers looked for ways to cut expenses, and the first on their agenda was subsidies for retail advertising.

This is the situation confronting the retailers today. They liked the idea of subsidized advertising, but the practice is fast being discontinued or decreasing at a rapid rate.

To say that all kinds of assistance is being withdrawn would be a fallacy. Many methods are used to bolster retail advertising, some of which are very effective but put the pressure on the retailer to exert the effort more. Some of these methods are the employment of mats of the original national ad; sharing the expense of the national advertising with the manufacturer in local tie-in advertising.

The above situation cannot be said to follow the same pattern in all fields of fashion merchandise.

In those fields which show greatest acceptance to branding, however, advertising assistance is still given to the retailer by the manufacturer. This is true about blouses and housedresses where there are increases in the number of

stores receiving advertising support; continued support has been given in the corsets and brassieres, and hosiery and millinery classifications are continuing to be subsidized.

The burning question in the minds of the retailers, however, is--how long will this continue. They all realize that as business conditions level off and began to dip down this will come to an abrupt end.

Many retailers feel that the manufacturers' ads should tie in more with the retail store name, i.e. include the name of the store carrying the advertised merchandise more clearly than they do. Many also feel that dealer aids are only good when they fit the stores' pattern, and this is not always the case. They further state that training aids, such as films explaining production and other details of name brand fabrics, are termed more helpful to the store.

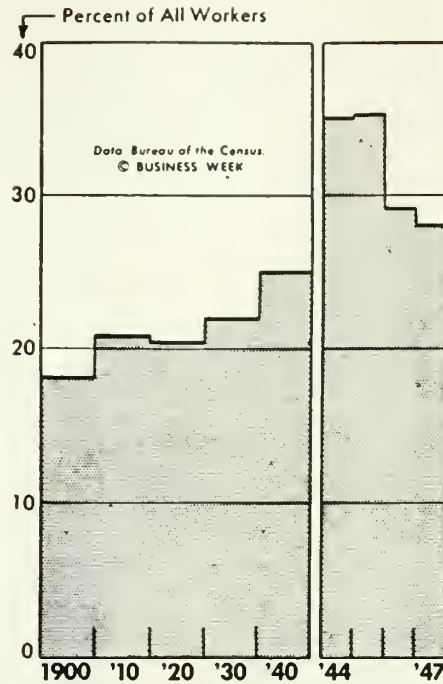
The effects of the past war and rationing on branded merchandise were such that they enhanced these items rather than detracted from them. This was accomplished in two ways, first through extensive advertising on the part of the manufacturers which kept these names before the public eye, and secondly through the efforts of the retailers to promote these items to the fullest extent when they were fortunate enough to have them.

Scarcity always breeds the desire for the best one can buy at any cost, and during the war almost everyone had the money to pay the prices asked--therefore, branded items did not suffer the stigma of over-priced merchandise. True, many abuses were prevalent both in overpricing and in the establishment of unknown brands. The reputable firms, however, did not suffer to any great extent from this as these new get-rich firms soon went out of business after the war, and the old established ones just picked up where they left off.

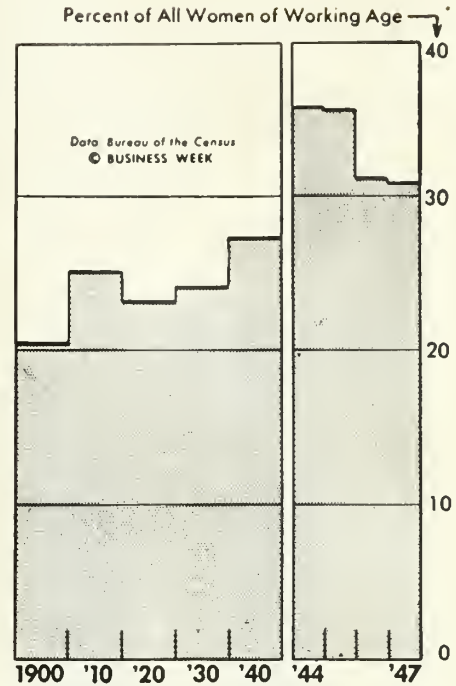
The war, of course, did change the buying habits of women in many ways, which has set a new stage for greater acceptance of branded merchandise. Many women remained in positions held during the war. The ever increasing number of women working in industry today has cutdown considerably the time a woman would normally spend shopping for merchandise--even fashion merchandise.

Charts on the following pages offer substantial proof of the steady increase in the number of women who work since 1900. These charts show that the last war emphasized this long-term trend, but it did not alter its course. Even though the number of women holding jobs dropped from wartime peaks, the movement is continuing as it started four decades ago. The number of women working is still high when compared with the pre-war levels.

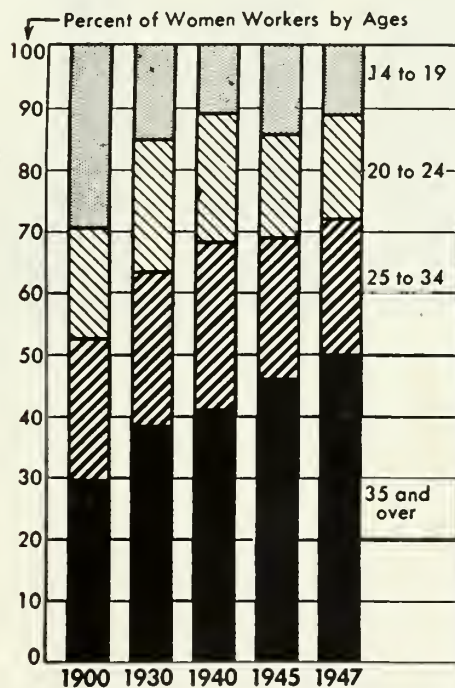
CHART III

INCREASE IN THE NUMBER AND CHANGING CHARACTER OF WOMEN
WHO WORK 1900-1947

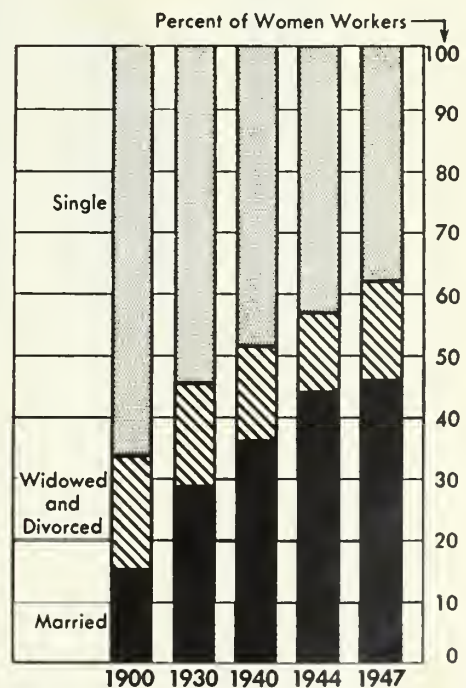
**More Workers
Are Women**



**More Women
Are Workers**



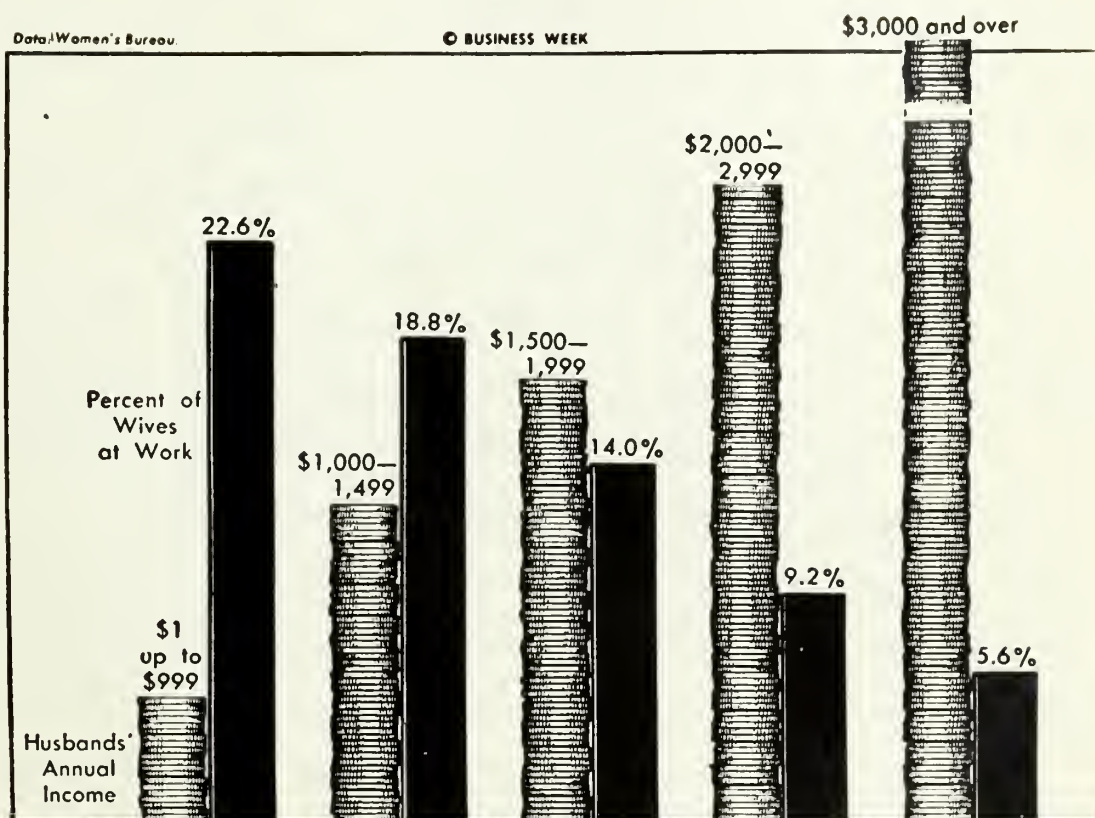
**More Older
Women Work**



**More Married
Women Work**



CHART III (Continued)



MORE WOMEN WORK when husbands are in the low-income classifications

Source: Business Week, March 20, 1948, p. 115.



The changing character of the women's work force is an important aspect to consider now, and it will continue to be an important factor in the field of fashion merchandise since it indicates to the manufacturers and retailers those marketing areas most susceptible to exploitation. The charts show that there is a steadily increasing percentage of older women in jobs; and an increase in married women workers. It is also interesting to note that the lower the husbands' income the larger the percentage of women who work. (1)

If such a pattern continues over the long-run women will have less time than ever to shop, and thus the preference for branded fashion merchandise will become stronger as time for shopping for these items diminishes.

The trend to spending less time in shopping for merchandise first gained its foothold during the war, and has prevailed to the present day. As a result, women lean more and more to brand merchandise that they have read about, have heard about from friends or have found through their own past experience to be suitable. It is to this attitude and trend that all advertising has been attuned. Many foresighted manufacturers, retailers and chain stores have realized this new trend and have used brand names more extensively on their merchandise. One of the most successful

(1) Business Week, March 20, 1948, p. 114-115.

and ingenious examples of this is Henry Rosenfeld who has "given women a class-market dress at a mass-market price". To be sure, with this he has given distinctive style, quality material and workmanship. "All Rosenfeld dresses are labelled 'Henry Rosenfeld New York Original'. The term original is intended to distinguish a garment created by a designer for a single firm from a less expensive 'copy' of the original by other designers for other firms.

"There is considerable appeal to the dress-buying public in the terms 'original' and 'exclusive'. Originals as well as copies are not confined to a single store but are made available to the buying public in many stores. The 'exclusive' is an original that is confined to only one dress shop, and should technically be called an 'exclusive original'. The degree of exclusiveness is usually in proportion to the 'exclusive' claims of the stores in advertising their dresses.

"There is no law regulating the labelling of dresses as originals or exclusives, and no law preventing designers from copying either." (1)

(1) Ross, Lillian, "The Millionaire--Profiles", The New Yorker, January 7, 1950, p. 30.

CHAPTER VI
ORGANIZATIONS SPONSORING
THE CAUSE OF BRAND NAMES

In addition to the publications already mentioned that have been instrumental in gaining public confidence for branded merchandise, two other organizations have been outstanding in their efforts to strengthen the position of this type of merchandise. The Women's Wear Daily paper and the Brand Names Foundation, Inc. have gone all out to determine the reasons for the growing and continued influence brand names have in women's fashion merchandise.

Since 1945 Women's Wear Daily has conducted a survey each year in an attempt to measure the relative strength of branded and unlabeled goods in the country. These surveys have concentrated on women's fashion merchandise, including piece goods and children's wear. Basically, the purpose of these studies are to measure the relative position of branded and unbranded goods in the retail women's apparel business to determine methods in merchandising and promoting them; to establish the results from retailers' efforts in their behalf; to find points of advantage and disadvantage of branded merchandise as compared with unbranded goods, and to learn about retailers' plans for the

future, with respect to branded and unbranded goods.

The various aspects of the uses and successes of brands have for several years been the subject of periodical studies conducted by other Fairchild Publications.

Brand Names Foundation, Inc. which has been in existence only five years, is outstanding in its efforts to educate the consumer. They are dedicated to advancing the principles of brand responsibility, progressive product improvement and free consumer choice, through continuous educational programs. (1) So aggressive has been their program, that a look into their organization and program seems quite apropos at this time in view of the prominence branded merchandise has attained.

The foundation, which has its headquarters in New York is governed by a board of 25 directors, 16 of whom are elected by the sponsoring members. The other nine are designated by associations in closely related fields of interest. The board meets quarterly, and an executive committee of 12 elected by the board meets monthly. Responsible to the board and executive committee for the actual operations is a full-time president assisted by a staff of 30 persons.

(1) Membership List, Brand Names Foundation, Inc., New York, February 1950.

The group, which includes a membership of 600, is now in the midst of magazine advertising campaign to convince America on the value of brand merchandise. A readership of 6 million is assured, with many more expected by the end of the year. These ads plug the value of brand knowledge learned through advertising and the role of brands in maintaining a free competitive economy and a high standard of living. The Foundation supplies plates to publications contributing space. This aim in itself is an ambitious one. Its success, however, depends on the public buying the branded products and continuing to buy them. To achieve this the product must live up to the claims of the advertisements. The value of brand knowledge learned through advertising is not the end all of making it a consumer-accepted product. Its ability to become and remain such an accepted product is dependent on the buying public and the manufacturers' ability to maintain it as an accepted product.

Just what role brands play in maintaining a free competitive economy is open to question. Many proponents of a free competitive system would insist that such a practice hampers competition as branding in itself, when efficient and proven, enables a manufacturer to gain control of a market to such an extent that competition is almost impossible. A good example of this, though not in the fashion field, is Campbells soup. On the side of free competition

there is an argument too. As a manufacturer becomes so proficient in producing his branded product, and as others enter his field, they must attain or better his proficiency to get a market for their products--as a result the consumer benefits by getting better merchandise for his consumer dollar and thus his standard of living is raised.

It would seem that the aims of this organization are basically sound, but these aims can be achieved only through constant effort on their part to see that the manufacturers live up to the standards they espouse in their advertising, and which the Foundation verifies.

Although it has been in existence only half a decade, the group points to such accomplishments as:

- *1. A discernably greater appreciation of the importance of brand names by both the public and the retailers.
2. A heightened public interest in advertising as a preparation for wise buying of goods.
3. A greater appreciation of the free enterprise system through a better understanding of its most representative practice.
4. A heightened sense in manufacturing industry itself of the responsibilities of brand naming." (1)

As to the accomplishments this organization claims to have achieved, the writer is a bit dubious. As we have seen throughout this study, branded items are not new, and for an organization which has been in existence only five

(1) Women's Wear Daily, "Fourth Annual Study of Brands Survey," Section 2, Part 2, New York, November 9, 1948, P.19.

years to say they have accomplished a discernably greater appreciation of the importance of brand names, etc., is a bit far fetched. I would say they have accomplished a revival of this interest due to their efforts in sponsoring the campaigns to promote brands. This revival was necessary due to the war years when scarcity brought forth all degrees of unbranded and branded merchandise. As a result of this many consumers were a bit skeptical of the worth of branded items, having been bitterly disappointed in some of the branded products they purchased during this war period. The confidence of these consumers had to be rebuilt, and it is here that the Foundation can point to its accomplishment.

As they have rebuilt this confidence the interest of the public has been re-ignited to view advertising as a preparation for wise buying of goods--but only as the product lives up to this advertising will the public be convinced of its true value.

What is to be considered as the most representative practice of a free enterprise system, I am unable to say. How a better understanding of it is to be construed is another nebulous point. The consumer is interested in such a system only to the extent that it effects a better standard of living for him. Branded products have bettered this standard, but to say that the consumers' appreciation for this betterment lies in his greater understanding of the free

enterprise system is a gross exaggeration. I would say the desire on the part of the consumer for a better standard of living has prompted the manufacturers to accomplish this in the production of quality merchandise if they desire to remain in business. This leads to the fourth accomplishment-- "a heightened sense in manufacturing industry itself of the responsibilities of brand naming". This is probably true, but for an organization to say that they have done it on their own efforts is stretching the point too far. It is a combination of the consumer demanding good merchandise and the organization finding out wherein these demands are not satisfied, which has made the manufacturer more fully aware of his responsibilities.

Because of the willingness of various media to cooperate, the organization says that it has received more than 10 million dollars worth of time, space and visibility on the brand theme with an annual expenditure of less than \$300,000. The Foundation does not buy space or other advertising facilities. Its funds are used solely for preparing material for various public relations channels. Individual brands, of course, are never promoted.

The most dramatic approach has been the community education events called "Parades of Progress". Based on the theme "our town has the best of everything", the programs stress the benefits of brand knowledge. The first event, the Greenfield, Massachusetts experiment, received considerable publicity and now 11 towns have put on celebrations. The

Foundation acts in a consultative capacity since these events are usually run by the local merchants organizations such as the chambers of commerce. Ideas are discussed for such activities as a window display contest, parades, fashion shows, homemaker demonstrations and quiz shows. A bi-weekly bulletin keeps 2,000 brand manufacturers, media and agencies informed on such events. Promotional material in the form of posters, streamers and counter displays are provided for the use of retailers plus publicity material for press, radio, schools and women's clubs.

Working with newspapers has been an important aspect of the campaign. "The Brand Family Album," a series of historical cartoon features on brands appears in nearly 1,000 papers.

"Certificates of Merit" are awarded to retailers for outstanding ads on brand name benefits. These awards have been made monthly since April 1947, to department and food stores in all parts of the country. Retailers also receive special literature urging greater emphasis on brands.

The radio medium is exploited by a special script service sent to more than 800 daytime commentators. Special programs are used such as the 15-minute show "The Name Speaks" broadcast for 13 weeks over 138 NBC stations. Car cards appear in 41,000 vehicles with 39,000,000 circulation. Even plant publications receive material. A homely feature, "Sam Brand Says," is written for some 10,000,000 plant em-

ployees.

Working through the school to appeal to the potential customers, the Foundation sends charts and booklets to more than 9,000 high school home economics teachers. School and university libraries also receive reference material.

Brand names are dramatized by another award, "the Certificate of Public Service" which is given the manufacturers who have "held the public confidence for fifty years or more". (1)

Because of the extensive advertising done by the Brand Names Foundation, the writer sent out 19 letters requesting information to seventeen stores having received "the Certificate of Merit" during 1948 and also to R. H. Macy and Brand Names Foundation. To the 19 letters sent out 9 replies were received.

The "Certificate of Merit" stores to which letters were sent and which responded are as follows:

The William Taylor Son & Co., Cleveland, Ohio
Whitney's Department Store, Albany, New York
The Bon Marché, Spokane, Washington
Mabley & Carew, Cincinnati, Ohio
F. C. Nash & Co., Pasadena, California
Herberger's, St. Cloud, Minnesota
Nathan's Department Store, New Brunswick, New Jersey

Replies were also received from R. H. Macy and Brand Names Foundation.

The following questions were asked of these stores

(1) Ibid., p. 19.

in an effort to gain first hand information concerning branded fashion merchandise:

1. Do you handle only registered Brand merchandise?
2. What effect, if any, did the war and rationing have on the sale of Branded fashion merchandise?
3. How much do you believe National advertising aids you in selling Branded merchandise. How important is the local advertisement of Branded merchandise?
4. How do you think advertising has affected the rise in popularity of Brand fashion merchandise.
5. To what degree has the change in buying habits (the growing consumer preference for Brand Names in fashion merchandise) affected the marketability of Brand fashion merchandise?

As all of these questions were answered in favor of branding, it seems pertinent to include some of these replies in this study in order that actual opinions of the retailers may be presented to further substantiate facts presented from secondary sources.

These answers are as follows:

Question 1. Do you handle only registered Brand merchandise?

To this question six replied that they do not handle brand merchandise only.

One replied more specifically that "they handled over 300 Nationally Advertised Brands. However, with the changing times, from war to

peace-time, and more competitive retailing, we have added occasional merchandise in some departments which is not branded but serves as a competing price line. This is to satisfy customers that we can give them price only, but usually a customer wants only to know we are competitive as far as price is concerned and then she BUYS branded lines for a little or much more money. The price lines, unbranded, move out also, to customers who feel they must buy the lower quality and save money. Many times the low price line, unbranded, is of a fair quality, but it does lack the perfection of branded lines." (1)

Question 2. What effect, if any, did the war and rationing have on the sale of Branded fashion merchandise?

Herberger's reply to this is notable as examples are given.

"The war and rationing made branded merchandise more desirable than ever. With money to spend and with many needed items scarce, and sometimes impossible to buy, customers bought by brand. Nationally advertised merchandise was bought in allotment form and an ad on the merchandise when it came into the store was sufficient to sell the entire allotment. Customers had certain brands they liked and waited for allotments to come in to buy what they needed. For example: "Perma Lift" Bras and Girdles, by A. Stein Co. Year after year during the war the merchandise sold as fast as we could get it.

"Many customers BECAME brand conscious during the war because of the scarcity of merchandise:

1. Because they tried a brand for the first time and liked it. Then continued to buy the same brand. (In suits, coats, foundations, hosiery, lingerie, accessories, draperies, linens, etc.)
2. Customers who bought a certain brand before the war became more conscious of its

(1) Peters, Gladys, Advertising Manager, Herberger's, St. Cloud, Minnesota.

value because many times they had to wait, or were forced to try an unbranded line which proved unsatisfactory, or even another brand of the same type merchandise and discovered their first brand served their particular type better.

3. The majority of customers learned the real value of fine quality branded merchandise as compared to unbranded, inferior quality merchandise because they were forced by circumstances to make the comparison tests in their own homes so branded merchandise had an excellent opportunity to prove its worth under conditions which made proof positive for the customers." (1)

B. W. Newell of William Taylor & Co., Cleveland, Ohio had this to say:

"I believe that the war and rationing had a favorable influence on the sale of brand merchandise, because it was apparently assumed by the public that brand name merchandise represented better quality and was more easily identifiable than those kinds of merchandise that did not bear brand names." (2)

Whitney's Department Store's General Manager felt "sales of branded fashion merchandise were held down because of limited production." (3)

The Bon Marché Sales Promotion Manager states:

"The war made all types of merchandise rather difficult to procure and so customers bought almost any merchandise available regardless of brand. In the same instance it emphasized the importance of Name Brands because of the preference for them and the small supply available on the market." (4)

The General Merchandise Manager of Mabley & Carew, Cincinnati, Ohio gives another side to

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- (1) Ibid.
 - (2) Newell, B. W., Wm. Taylor Son & Co., Cleveland, Ohio.
 - (3) Eager, Paul, Whitney's Department Store, Albany, New York.
 - (4) Bacon, Hl, The Bon Marché, Spokane, Washington.

the picture:

"The war had the same effect on brand merchandise as it did on non-brand. Every manufacturer was compelled to ration his production in order to give fair distribution to all customers. Had he not done this he would have confined his merchandise to a small portion of his retail outlets, neglecting some loyal customers thereby losing business in the future." (1)

The Manager of Program Research of the Brand Names Foundation, Inc. feels "The war and rationing had the effect of making people much more brand conscious. When they were forced to accept shoddy substitutes, they realized more than ever before the quality of workmanship inherent in items bearing a maker's brand." (2)

Question 3. How much do you believe National advertising aids you in selling Branded merchandise? How important is the local advertising of Branded merchandise?

Question 4. How do you think advertising has affected the rise in popularity of Brand fashion merchandise?

These two questions will be considered together as question 4 follows coherently question 3.

All of the answers stressed that national advertising is very important in selling brands to the public because they feel merchandise backed by a National ad has a reputation to live up to and any clear-thinking customers get the confidence intended from reading and seeing a famous Brand name. They all feel the product has to be good to

(1) Boebinger, Carl S., Mabley & Carew, Cincinnati, Ohio.

(2) Tredinnick, Frank A., Jr., Brand Names Foundation, Inc., New York.

warrant the advertising expense and bring the volume sales results necessary to continue in the particular field.

As to the criticism from the public that Branded lines must cost more because of the tremendous cost of this National Advertising, they feel the manufacturer could not stay in business if the price was too high to pay for the quality merchandise offered; and that the volume of sales would not continue as they have for the last fifty years if this were the case.

They stress that since the manufacturer's integrity is written in those National Ads it can mean a sale is 50 to 100 per cent made BEFORE the customer even enters the retail store where that particular brand is carried. The writer believes this is true when the customer has been in the habit of buying this advertised merchandise, but not a proven fact when the customer is making a purchase of a particular brand for the first time.

They further elucidate why national ads and the local tie-ins are of primary importance. Because the national ads inform the customers of the merchandise whereas the local tie-in informs them as to the stores that carry this same merchandise. National ads in the fashion magazines, the movies, trade papers, and newspapers are responsible for acquainting the customers with the new fashions and the tie-ins in different localities cause the sale of this merchandise.

Mr. Boebinger, of Mabley & Carew in Cincinnati stated: "National advertising is a tremendous help in selling brand merchandise. No one would know of Arrow shirts, Interwoven hosiery, Fashion Park clothes, Nelly Don and Laiglon dresses, Forstmann woolens and many others if it were not for their tremendous advertising campaigns which are one of the most important mediums in establishing a known brand. Of course, local advertising is important in that it emphasizes to a smaller group in a particular locality the importance of national brands."

Gladys Peters of Herberger's in St. Cloud, Minnesota stated, "I think the National Ads and the local tie-ins have been responsible for the popularity of Brand Fashion Merchandise. Certainly the desire for fashion merchandise comes after the customer has become acquainted with the fashion and likes the look and the 'feel' of it." Question 5. To what degree has the change in buying habits (the growing consumer preference for Brand Names in fashion merchandise) affected the marketability of Brand fashion merchandise?

This question brought forth numerous salient points which deserve mention. They are herewith presented in the same order as answers to question 1:

"About the change in buying habits: Fashion merchandise is made by famous brand lines and with famous brand material. So to determine the reason for the change

we need only to note these factors. If the customer is sold on a certain type woolen, and the fabric is used to make a famous brand which she prefers in a suit, coat, etc., then the customer is pre-sold on the fashion. There is high fashion merchandise created by unknown names and from lesser quality fabrics, but here we have the customers who cannot afford the brands they prefer, perhaps, or who are simply satisfied with inferior quality and have not shown the interest in learning about finer quality.

"Regrading this change, it is certainly because customers have been educated through national advertising and in speaking of fashion type merchandise, by the fashion magazines. They have been given more information over the years. Every girl who wants to know can find out the newest and most practical fashion for her particular needs. She can rest assured that she will be properly and fashionable attired if she will take the time to read and learn about fashion merchandise. School girls, college girls, career women, have a tendency to look for quality, for fashion, and for their favorite brand names in fashion merchandise.

"This awareness of fashion merchandise and fine quality has, of course, helped in the selling of branded fashion items. If the job in fashion selling is not complete as it could be, I'm sure it is the fault, or a neglect on the part of retailers.

"Many retailers will argue about the sales results on merchandise of high fashion even when all efforts are put forth to acquaint the customers with the real brand and fashion importance of it. Undoubtedly, they will say that many things enter into the picture: price, locality, season, so-called 'type' of customers, etc. The time seems to be here when a fashion store will have to like and sell fashion to do an outstanding job in this field. Many of these stores may divert their attention in other directions due to lack of ability to compete in the fashion field. But they will, nevertheless, continue to benefit from the sale

of nationally advertised, Famous Branded lines, whether it is toothpaste or pink refrigerators. Although local conditions may alter the type of appeal, that is for the local retailer to decide. While the national ads still continue to do the selling job, the local sales go to the retailer who takes advantage of this 'pre-sold' traffic." (1)

"Another seems to think "Growing consumer preference for brand names has definitely made easier the selling of brand name merchandise. This change in buying habits which has taken many, many years to bring about is the result of national and local advertising as well as to the maintenance of quality standards in brand name goods. In the instances of brand name merchandise where quality has been diminished, the sales of such names have also diminished." (2)

"Buying 'Name Brands' in fashion merchandise can probably be attributed to advertising but this sort of buying would not continue unless confidence was established in the name being bought. No matter how much heavy, clever advertising is expended to sell a brand name, the selling of same will not last and grow unless the merchandise earns the name and prestige implied in the advertising." (3)

"Advertising well done has caused a tremendous rise in popularity of brand merchandise. For a time brand names in fashion merchandise very definitely effected the marketability of this merchandise because of the inferior non-brand merchandise which was sold during the war and was not of good quality nor was it well made. Because so much of this war merchandise proved unsatisfactory the branded merchandise sold more really after the war. However, this has leveled off because some brands have not recognized the trend in conditions today price-wise. People are looking

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- (1) Peters, Gladys, Advertising Manager, Herberger's, St. Cloud, Minnesota.
 - (2) Newell, B.W., Wm. Taylor Son & Co., Cleveland, Ohio.
 - (3) Eager, Paul, Whitney's Department Store, Albany, New York.

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for good merchandise, attractively priced, and know that it can be purchased in non-branded goods if it is not available in the branded lines." (1)

"I would say it has helped them considerably, and due to customer demand buyers are aware of this fact when they are in the market." (2)

"The growing awareness that products bearing a maker's brand name are the best buy in the long run. The item purchased is backed up by the manufacturer, and the combination of style and dependability is a hard one to beat." (3)

R. H. Macy's stated "we regret to advise that the information you request is not available for distribution."

In respect to the importance of the previous view-points, especially where national advertising plays its part, the writer surveyed the New York Times, Boston Globe and Vogue magazine from 1927 to the present date to ascertain just what advertising was done in brand fashion merchandise.

In 1927 the trend noted in newspapers was the stress on Paris-made frocks and custom made frocks in women's fashion ready-to-wear. Original Paris models in millinery predominate at this time. Such names as Alphonsine, Suzanne Talbot, Reboux, Maria Guy were noted in Franklin Simon & Company's ads. Steward and Company was "the first to introduce Vionnet's new frock".

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- (1) Bacon, Hal, The Bon Marché, Spokane, Washington.
 - (2) Boebinger, Carl S., Mabley & Carew, Cincinnati, Ohio.
 - (3) Tredinnick, Frank A., Jr., Brand Names Foundation, Inc., New York.

Saks' ad on dresses did not mention any brand name. B. Altman and Company's ad on sportswear, dresses, coats, sweaters, suits and cotton frocks were all unbranded. Arnold, Constable and Company, the same. The main theme in all was material--georgette, transparent velvet, and crepe de chine.

In men's wear, however, several private brands and national brands were quite evident. Namely, Saybrookes and Sackvilles, Hart Schaffner and Marx, and John David shirts and suits.

Jay Thorpe's ads plugged "Mignon" silk combinations. Shoes were well represented by nationally known brands such as I. Miller, and Cantilever. Hosiery was mentioned by brand name, more representative at the time was "Roselle".

In the year 1937 Vogue magazine carried the following illustrated and descriptive ads for known national brands:

Forstmann woolens; Van Raalte--stockings, underthings, and gloves; Eisenberg and Sons--dresses; Lastex, foundations; Phoenix, hosiery; Carolyn's--women's summer dresses and suits; Talon fasteners came in at this time and were advertised in Vogue; also noted were Kayser in gloves; Fashion Firsts, dresses; Lane Bryant for sizes 36-42; Dobbs, hats; Nelly Don; Miss Swank, Hattie Carnegie, J. Mangin, Brewster Hats, Quinley Hats, and Mainbachers.

Gladstone luggage was being advertised in 1928, and also Bien Jolie foundations.

Private brands were being promoted in 1932-- such names as Russek's Marylin dresses, John David men's suits and shirts, Sears, Roebuck and Montgomery Ward had already promoted their private brand names in women's dresses, as previously noted.

These same brand names were also evident in other fashion magazines, such as Harper's Bazaar in the more expensive fashion dresses, Good Housekeeping and Ladies Home Journal in the medium price field.

From the foregoing replies it is readily discernable that branded items make selling within the stores easier. Those people, who still shop the stores for their fashion items may resent the pre-sold attitude many stores have adopted in regards to their brand merchandise. Advertising cannot do the entire job of selling--the producer, retailer and ultimate consumer have to exert separate and dissimilar influences upon this media before advertising alone can be said to be the primary reason for the importance of branded merchandise.

These separate and dissimilar influences might be referred to as demand creation. For example, all the advertising that is now being done to promote the new Orolon material cannot be said to be sufficient unto itself. You cannot sell that which you do not have, and it is only when the retailer reacts to the newly produced item by stocking

it for the consumer that the effect of advertising is realized. The consumer by purchasing the item and continuing to do so ascertains whether or not the brand is what it is advertised to be.

Therefore, I believe that so long as advertising continues to portray the real properties of merchandise, consumers will have faith in the branded items and advertising itself.

The preponderance of advertising immediately prior to and after World War II has continued to the present, and the increase in consumer demand for brand names in fashion merchandise presupposes even greater coverage.

CHAPTER VII

SUMMARY AND CONCLUSION

From the preceding study many conclusions or predictions may be deduced as to the subsequent position of brand names in fashion merchandise. When making these conclusions or predictions one must not lose sight of the very nebulous factor behind all decisions that are made--whether it be a decision for a product, way of life, or standard of living--that is the human being.

Since the motivating actions behind all human decisions are relatively unpredictable and unmeasurable, any interpretation of past manifestations of these actions as they might influence the present or future would have to be made with this in mind. These qualities do not preclude an attempt to measure the whys and wherefores behind these decisions, however, in order that some of the risks behind this complex marketing system may be narrowed to some extent. In reality it is because of these intangible elements that attempts are made to approach some system by which they may be measured in order that the complexities of our economic system may be lessened.

Therefore, with this in mind, the pros and cons of the problem studied have been presented in the light of what is known to have prevailed, and what may be expected if, all things being equal, the consumers act in the future as

they have in the past.

It has been observed that trade-marks have been used for centuries, and as an outgrowth of this practice brand names have evolved. Whether this outgrowth and continued practice may be attributed to tradition, protection for the producer, or consumer demand based on ingrained habit is in the writer's opinion the most potent factor behind this practice.

The consumer of today first became acquainted with branded merchandise in the staple convenience goods, i.e. canned food products. Because these items proved their worth as to quality and dependability, it was only a natural thing that such identification could be easily thought of in terms of wearing apparel, household appliances, house furnishings and medicines.

Branding of fashion merchandise was not necessarily a new thing to this generation as foundation garments have long been labeled--most noteworthy is the NEMO brand name which has been in existence since 1894. Yet the consumer displayed more apathy toward this practice in the fashion merchandise field than in any other.

The importance of brand names in fashion merchandise has reached economic significance in our marketing system. Not only does such a practice effect the livelihood of a substantial number of persons, it also effects the consumers' standard of living and the existence of the

manufacturer or retailer.

Such a practice in the fashion field, though not new, has only recently gained such wide attention. From the early ages brands were employed to identify the product with the producer. As new frontiers were discovered the practice continued and grew in importance as new products were introduced and the standard of living of all countries rose. With the tremendous expansion of the United States and subsequent impact of the industrial revolution, the practice of branding became a must in order that the manufacturer could be protected. So successful were the manufacturers in gaining control of the market through this branding device that many retailers sought relief under the protective umbrella of these manufacturers brands. As a result the manufacturers and retailers became so inseparable in this marketing pattern that the consumer had to exert direct pressure on these factors to protect themselves against the misrepresentations that were prevalent in the merchandise these institutions sponsored.

As the manufacturers and retailers improved their products and as this improvement became known to the consumer, manufacturers, and retailers brands in fashion merchandise became more and more accepted. This acceptability though is no stronger than the weakest branded item. The manufacturers and retailers have become aware of this in the

last six years and have endeavored more and more to combine style with quality to meet the demands of the consumer.

Advertising on such a wide scale has brought fashion information into the homes so rapidly within the last decade that the consumer has had more time to consider the new styles. While such a process of style consideration is going on, another habit is being formed--that of associating that which he reads or hears to where he can purchase the article he desires.

The time previously spent in shopping for this merchandise has now been reduced; the number of stores to be considered when making a purchase has been minimized, and once the consumer has purchased an item, especially such items that are always part of a wardrobe year in and year out, if it is branded, all he has to do is telephone the store that carries the article. This assures repeat business for the retailer and ease of shopping for the customer.

Throughout the history of branding the buying habits of the consumer can be easily traced. The consumer, once he was convinced that branded canned goods were better, and that he could depend on the advertising to give him a true picture of that unseen quality, -- continued to buy branded merchandise. This habit, once it became a natural part of his buying pattern in staple lines, was transferred to fashion items but not with the same force. Fashion merchandise has long been considered shopping goods. The

quality of such merchandise is readily discernable and as such prompts considerable comparison before the purchase is made. This is one of the basic reasons behind the consumer apathy toward branding in this particular line of goods. Another reason for this feeling on the part of the consumer, especially where high style is in question, is the desire to be different. The wholesale use of a nationally advertised brand name affixed to a dress, woman's suit, or fur coat, does not add prestige to a woman's wardrobe if she has to worry about seeing the same outfit on every street. It is true women's clothes are not as standardized as to style to the extent that men's clothes are, but with style piracy so rampant in fashion wear the word exclusive as it was once known has been relegated to the pages of history.

Limitations of our productive factors stimulate ingenuity. During the World War II period the consumer of today was made more aware of this than any time in past history. Fashion did not issue any decrees during these war years, thus the limitations of our productive forces and the lack of fashion decrees brought about a better quality of styling because the lines were not spread so thin. Just as soon as the forces were back at work on consumer goods, fads and fashion decrees ran rampant, and it is only now that the consumer has begun to adjust his tastes in fashion items to the dictates of his purse. Such an adjustment to the economic

conditions have always brought about noticeable consumer resistance to branded fashion merchandise. We have seen that during 1945-1949 sales of branded fashion items in the less expensive lines have gone down; yet in the higher priced fields, furs, dresses, suits and coats sales of branded goods have increased. This would indicate that the consumer is looking for price appeal in those items which afford him only short-period satisfaction and which have not too much long-run style value. In higher priced fields which have shown an increased acceptance of branding, the emphasis is on quality and lasting style rather than price. Naturally price is always a consideration to any income group, and if the manufacturers of branded fashion items can meet this demand and maintain quality goods the outlook for their future importance is excellent. On the other hand, if the unions continue to get high wages in periods when the supply of goods has exceeded the demand for them, manufacturers of high price branded fashion items will have to resort to inferior quality merchandise, or to less profits--or to less expenditures for advertising. As a rule when this becomes their only expedient in meeting rising costs and less margin, the brand name behind their product no longer represents as good a quality of merchandise as has come to be expected of his brand, with the result that the manufacturer goes out of business or manufacturers merchandise without brand names.

New inroads on overcoming the apathy toward branded fashion merchandise will undoubtedly open up with the expansion and development of television. We have already seen the impact national advertising with local tie-ins has made on overcoming this resistance, however, this appeal has been limited more to adults. Television on the other hand can and no doubt will develop fashion shows to appeal to the teen-agers and children. The visual association this media offers goes beyond that which the magazines, newspapers and movies have been able to accomplish, and it is in such an association that here lasting impressions are made. Should television reach the same consumer acceptance that the radio has, branded fashion merchandise may look to a bright future.

During the last century with the advent of manufacturing, mass production and mechanization consistent rises in the level of living have been experienced. By level of living is meant--what people actually do have, as compared with the standard of living which is what people think they ought to have.

After the Civil War there was a period of prosperity and then a depression but the level of living did not fall back to the pre-Civil War level but stayed on a higher plateau. This same phenomena was experienced after World War I and World War II and in both cases the level of

living has reached new and higher plateaus. Even in the great depression of 1932 to 1937 the level of living did not fall to the early 1900 level.

The writer believes that the increase and decrease in acceptance of branded fashion merchandise will follow this same pattern of rising to new levels, falling back for awhile during depressed periods but never back to the lowest point of little or no acceptance. Private brands and unbranded fashion merchandise will always have a place in our marketing system, particularly in periods of depressed conditions when price is of paramount importance, and as long as we continue to live in a system of "free economy".

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